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The Statist,

A Journal of Practical Finance and Trade.

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SATURDAY, AUGUST 1, 1914.

PRICE 6d.
[POST FREE 6½d. (U.K.)]

THE ANGLO-RUSSIAN TRUST, LIMITED.

HEAD OFFICE:
6 AUSTIN FRIARS, LONDON, E.C.

CAPITAL PAID UP ... £1,000,000
4½% DEBENTURE STOCK ISSUED ... £500,000

THE TRUST IS AN ISSUING HOUSE, DEALING PRINCIPALLY WITH RUSSIAN GOVERNMENT GUARANTEED RAILWAY AND MUNICIPAL LOANS.

THE TRUST DOES NOT UNDERTAKE STOCK-BROKING, OR DIRECT DEALING WITH ANY SECURITIES WITH THE PUBLIC.

A List of Sound Russian Securities, showing yields of 4½ to 6½%, forwarded free on application.

COPIES OF THE LAST ANNUAL REPORT, AND FULL PARTICULARS OF ISSUES ALREADY MADE, MAY BE HAD EITHER AT THE HEAD OFFICE AS ABOVE, OR FROM EITHER OF THE FOLLOWING BRANCH OFFICES:—EDINBURGH, 18 ST. ANDREW SQUARE; DUBLIN, DAME HOUSE, DAME STREET; MANCHESTER, 32A BROWN STREET.

BANCO ALEMAN TRANS-ATLANTICO.

(Deutsche Ueberseesche Bank.)

Capital (fully paid) £3,000,000 (£1,500,000).
Reserve Fund £9,545,948 (£4,772,977).

HEAD OFFICE: BERLIN.
BRANCHES.

ARGENTINE: Bahia Blanca, Buenos Aires, Cordoba, Mendoza, Rosario de Santa Fé and Tucuman.

BOLIVIA: La Paz and Oruro.

CHILI: Antofagasta, Arica, Concepcion, Iquique, Osorno, Santiago, Temuco, Valdivia and Valparaiso.

PERU: Arequipa, Callao, Lima and Trujillo.

URUGUAY: Montevideo.

SPAIN: Barcelona and Madrid.

BANCO ALEMÃO TRANSATLANTICO.

BRAZIL: Rio de Janeiro, Petropolis, São Paulo, Santos.

London Agents: DEUTSCHE BANK (BERLIN).
LONDON AGENCY, 4 George Yard, Lombard Street, E.C.

Bills sent for collection, negotiated, or advanced upon.
Drafts, Cable Transfers and Letters of Credit issued.

BANCA COMMERCIALE ITALIANA.

HEAD OFFICE:—MILAN.

LONDON OFFICE:—1 Old Broad Street, E.C.

Paid-up Capital, £5,200,000. Reserve, £2,323,000.

Branches in Italy.—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padova, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; and Agencies in numerous other Towns.

Agents in London for:—Banque Française et Italienne pour l'Amerique du Sud, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and Societa Commerciale d'Oriente, Tripoli, Africa.

AGENTS & CORRESPONDENTS in all parts of the world.

BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000
Reserve Fund £P.300,000

BRANCHES IN:
Pinar, Callao, Mollendo,
Olticayo, Cerro de Pasco, Arequipa,
Pasamayo, Chincha Alta, Ouzoo,
Trujillo, Ica, Iquitos,
Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers, issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... £3,703,704
RESERVE FUND ... £1,033,410

ST. PETERSBURG. MOSCOW. PARIS.
And over 100 Branches in Russia.

London Offices: 24/28 Lombard Street, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.
Purchase and Sale of Stocks and Shares, Dividends Collected, Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened, Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Deposits are received for one year and over at 4 per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit issued. Remittances cable or mailed. Current accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

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Agencies at 2,000 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

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Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 200 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

SUBSCRIBED CAPITAL..... £8,194,100

PAID-UP CAPITAL..... £1,548,625

RESERVE FUND..... 2,000,000

UNCALLED CAPITAL..... 4,645,575

£8,194,100

BOARD OF DIRECTORS.

W. R. Arbuthnot, Esq. Hon. Sir Charles W. Fremantle, K.C.B.
Sir David Miller Barbour, K.C.M.G., K.C.S.I. Hon. Sir George Peel, Esq.
Robert E. Dickinson, Esq. Rt. Hon. Lord Sydenham, G.C.M.G., G.C.S.I., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I. Rt. Hon. Lord Welby P.C., G.C.B.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms. DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available to all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

WILLIAM SMART, London Manager.

NATIONAL BANK OF TURKEY.

Subscribed Capital... £1,000,000
Paid up ... 250,000

President:

Sir HENRY BABINGTON SMITH, K.C.B., Q.S.L.

Head Office: CONSTANTINOPLE.

Manager: H. P. KINGHAM.

London Committee:

THE HON. SIDNEY PEELE, Chairman.

The Hon. Hugo Baring. O.S. Gulbenkian, Esq.

H. Bironenough, Esq., O.M.G. R. H. Macanlay, Esq.

K. N. Meyer, Esq.

London Agency... 50 CORNHILL, E.C.

Manager, R. HEBERT.

General Banking Business Transacted.

BRITISH BANK for FOREIGN TRADE, LIMITED.

(Formerly Anglo-Russian Bank, Ltd.)

AUTHORIZED CAPITAL..... £1,500,000

ISSUED AND FULLY PAID UP CAPITAL..... £1,200,000

HEAD OFFICE:

48 BISHOPSGATE, LONDON, E.C.

London Clearing Bankers:

Bank of England; Lloyd's Bank Ltd.

CURRENT ACCOUNTS.—Interest allowed by arrangement on minimum monthly balances at 2½ per annum.

DEPOSIT ACCOUNTS.—Interest at a minimum of 4½ per annum allowed for fixed periods of 3 months and upwards.

Bills discounted Foreign Exchange

Credits opened Coupons Collected

Advances against Documents.

O. H. BUTTERFIELD, Manager.

BANCO DE CHILE.

LONDON AGENCY—

94 GRAVESEND STREET, E.C.

Chilian Dollars.

Paid-up Capital ... £40,000,000

Reserve Fund ... 22,000,000

Reserve Liability of Shareholders 40,000,000

HEAD OFFICE: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

THE RUSSO-ASIATIC BANK

Incorporated by Imperial Russian Government

Decree.

Capital authorised Rbls. 55,000,000

Do. Subscribed Rbls. 45,000,000 = say £4,745,000

Do. (subscribed by the Imperial Chinese Government)

Kouping Tsels 3,500,000 = say £ 520,000

Reserve Funds ... Rbls. 23,600,000 = say £2,500,000

£7,765,000

HEAD OFFICE: AT ST. PETERSBURG.

Branches at all the principal Towns to Russia, Manchuria, Siberia, Central Asia and China; also at Paris, Bombay, Calcutta, Hongkong and Yokohama.

Interest (paid quarterly) allowed on Fixed Deposit Accounts for one year and over at 4½ p.a. for shorter periods, and on current accounts, at rates to be learnt on application.

Banking business transacted of every description.

CHANTREY INCHBALD, London Manager.

64 Old Broad Street, London, E.C.

CREDITO ITALIANO.

Capital fully paid and Reserve .. £3,440,000

LONDON BRANCH:

22 Abchurch Lane, E.C.

Manager: George Mani Fe.

Joint Managers { D. A. Horner.

Martin Schuric.

Correspondent of the Royal Italian Treasury.

Transacts a General European and Oversea Banking Business.

Head Office: MILAN

With Branches throughout Italy.

A Prospectus is being issued which states, inter alia, that the List will Close on or before Friday, the 31st July, 1914.

A Copy of this Prospectus has been filed with the Registrar of Joint Stock Companies.

THE BRITISH UNION OIL COMPANY, LIMITED.

(Incorporated under the Companies Acts, 1908 and 1913.)

CAPITAL - - - £6,000,000

In 1 Shares of £1 each, divided into 5,000,000 Six per Cent. Cumulative Participating Preference Shares and 1,000,000 Deferred Shares.

The Preference Shares are preferential both as regards the fixed 6% Cumulative Dividend and repayment of Capital and entitle the holders over and above the fixed Dividend to have distributed rateably among them 50% of the balance of the profits of the Company (remaining after payment of such Dividend) which it may from time to time be determined to distribute, but not to any further participation in assets.

Issue of 1,500,000 Six per Cent. Cumulative Participating Preference Shares.

The whole of the proceeds of the Shares allotted on the above issue will be applied towards the carrying out of the primary objects (a) and (b) of this Company, as below mentioned.

Directors.

Rt. Hon. EARL GREY, G.O.B., Howick, Northumberland (Chairman).
Rt. Hon. LORD PIRRIE, K.P., P.C., 1 Cockspur Street, S.W., Chairman of Messrs. Harland and Wolff, Limited.
H. N. ANDERSEN, G.C.D., D.M., Copenhagen, Managing Director, East Asiatic Company, Limited.
THOMAS ROYDEN, 20 Brown's Buildings, Liverpool, Deputy-Chairman Cunard Steam Ship Company, Limited.
ANDREW WEIR, 21 Bury Street, E.C., of Andrew Weir and Company, Shipowners (Managing Director).
LYMAN STEWART, Union Oil Buildings, Los Angeles, California, Director of the Union Oil Company of California.

Bankers

THE NATIONAL BANK OF SCOTLAND, LIMITED, 37 Nicholas Lane, London, E.C.; Head Office, Edinburgh, and Branches.
LLOYDS BANK, LIMITED, 72 Lombard Street, E.C.; and Branches.

Solicitors.

Messrs. ASHURST, MORRIS, CRISP AND CO., 17 Throgmorton Avenue, E.C.
Messrs. LINKLATER, ADDISON AND BROWN, 2 Bond Court, Walbrook, E.C.

Auditors.

Messrs. PRICE, WATERHOUSE AND CO., Gresham College, Basinghall Street, London, E.C.

Secretary and Offices.

F. J. ASBURY, F.S.A.A., F.C.I.S., 21 Bury Street, E.C.

The National Bank of Scotland, Limited, and Lloyds Bank, Limited, are authorised as the Bankers of the Company to receive applications for the above 6% Cumulative Participating Preference Shares of £1 each, payable as follows
2s. 6d. on Application; 7s. 6d. on Allotment; 5s. on 30th September, 1914; 5s. on the 2nd January, 1915.

PROSPECTUS.

This Company has been incorporated with the primary objects:—
(a) Of acquiring by direct subscription at par and exchange of shares at par a large interest and the controlling vote in the Union Oil Company of California, and of supplying the Union Oil Company during a period ending on the 31st December, 1916, with upwards of 2,500,000 of new cash capital. (b) Of forming subsidiary companies to provide for the transportation and sale of Californian Oil, including the Union Oil Company's products, and for the establishment of distributing depôts throughout the world, taking advantage of the opportunities afforded by the opening of the Panama Canal of reaching markets which have hitherto been closed to Californian oil.

Enclosed with the Prospectus is a copy of a letter written by Mr. Lyman Stewart, as President of the Union Oil Company, who has agreed to exchange the holding of himself and his family as hereinafter mentioned. Mr. Stewart in such letter states:—

That the Union Oil Company owns or controls, either directly or through its subsidiary companies, the oil rights of upwards of 200,000 acres of land, and in addition has built up during the last 24 years an almost unique organisation for the production, transportation, refining, and sale of petroleum and its allied products, also that it owns or controls approximately 650 miles of pipe lines and that its sales for last year were over \$20,230,000 (£4,150,000).

That the oil properties have been appraised independently as being alone worth \$58,065,000 (£11,900,000), on which basis the total valuation of the Union Oil Company's assets is practically £20,000,000, as against liabilities of about £3,400,000.

That the Union Oil Company has large contracts with the United States Government, the Canadian Pacific, the Northern Pacific, and other Railway and large industrial enterprises throughout the Western Coast of British America, the United States, and South America.

That the profit-earning capacity of this Company will be considerably increased by the additions to its refineries and the extension of its operations which the new working capital will enable it to make.

From the Certificate of Messrs. Price, Waterhouse and Company it will be seen that the average net profits of the Union Oil Company and its subsidiaries for the six years ending 31st December, 1913, have been £523,025, which is at the rate of over 8 per cent. on its present issued capital.

During the above six years no less than £1,365,472 has been provided for Depreciation, and no account has been taken in the Certificate of the enhancement in the value of the oil properties referred to above.

London, E.C., 27th July, 1914.
To the Directors of THE BRITISH UNION OIL COMPANY, LIMITED.
We have examined the books of the Union Oil Company of California and of its subsidiary Companies for the six years to the 31st December, 1913, and have pleasure in certifying as follows:—

	1908	1909	1910
	£	£	£
The profits on trading have been ...	742,799	756,776	883,340
Net profits available for distribution	531,838	529,438	602,098
	1911	1912	1913
	£	£	£
The profits on trading have been ...	761,726	947,980	945,507
Net profits available for distribution	431,012	541,408	502,357

The profits shown above give a total for the six years of £3,138,151, out of which £2,085,068 was paid away in dividends, or an average rate of 6 per cent. per annum, leaving undistributed a balance of £1,053,083, which on the average capital for the period works out at an additional 3 per cent. per annum.

The book value of the Assets of the Company, and of the Subsidiary Companies wholly owned by it, was shown by the Consolidated Balance Sheet of 31st December, 1913, as follows £12,234,488 14 2
Less—Bonded Debt and Notes and Current Liabilities £3,477,042 5 11

Yours faithfully,

(Signed) PRICE, WATERHOUSE AND CO.

It will be seen, therefore, that the average yearly profit as certified is more than sufficient to provide the fixed 6 per Cent Dividend on the Preference Shares, including the present issue.

and Mr. Lyman Stewart states in his letter, above referred to, that the employment of the additional working capital will afford such an increased profit as should enable a substantial distribution to be made to this Company's Preference Shareholders in excess of the fixed Dividend.

In addition to and quite apart from the above, the earnings of the subsidiary English Marketing Companies above referred to should provide the British Company with a large additional separate revenue, also available for distribution.

The British Company has agreed to acquire, in each case at par (a) \$15,000,000 Stock of the Union Oil Company for cash payable over the period ending 31st December, 1916; and (b) \$4,444,650 Stock of the United Petroleum Company (carrying the voting control of an additional \$15,788,400 Stock of the Union Oil Company) for Preference Shares fully paid up. The British Company will therefore own or control over \$30,700,000 out of \$46,292,800, which will be the issued Stock of the Union Oil Company when the above \$15,000,000 Treasury Stock is allotted.

The British Company has also agreed to acquire at par such further Stock of the Union Oil Company, the Union Provident Company, and the United Petroleum Company as may be exchanged by the holders thereof for fully-paid Preference Shares of this Company. The balance of the Preference Shares will be issued for this purpose or for cash.

The Alliance Debenture Corporation, Limited, of 21 Bury Street, E.C., who are the promoters of this Company, have incurred large obligations, including liability for procuring subscriptions for \$15,000,000 of Stock of the Union Oil Company and for the payment of (a) £200,000 for cancellation of outstanding options on the \$4,444,650 Stock of the United Petroleum Company being acquired by this Company; (b) commission to underwriters of £1,000,000 of the present issue, which has been underwritten to the promoting Company at a commission of 5 per cent. and 2 per cent. overriding commission; and (c) the preliminary expenses of this Company to allotment, and as consideration therefor will receive from the Union Oil Company 15 per cent. on the \$15,000,000 of its Stock as and when subscribed. They will also receive from this Company, in consideration for their procuring for it the above-mentioned exchanges of stocks of the Union Oil Company and its holding Companies fully-paid Deferred Shares of this Company equal to 15 per cent. of the amount of Preference Shares issued in exchange.

Full Prospectuses and Forms of Application for Shares can be obtained from the Company's Bankers, or at the Offices of the Company, or by telegram to "Selegnasol, London."

This Form may be cut out and filled up and forwarded to the Bankers of the Company, THE NATIONAL BANK OF SCOTLAND, LIMITED, 37 Nicholas Lane, E.C., Head Office, Edinburgh, and Branches; or LLOYDS BANK, LIMITED, 72 Lombard Street, E.C., and Branches, together with a remittance of 2s. 6d. per Share. Cheques should be made payable to Bearer, and crossed "Not Negotiable, LIMITED. A/o BRITISH UNION OIL CO., LTD.
To the Directors of

The British Union Oil Company, Limited.

Gentlemen,—Having paid to the Company's Bankers the sum of £....., being a deposit of 2s. 6d. per share payable on application for Preference Shares of £1 each in the above Company, I/we hereby apply for, and request you to allot me/us that number of Shares, and I/we hereby request you to send me/us a cheque by post for any amount that you may have to return to me/us on this application.

Name (in full)

Mr., Mrs., or Miss.

Usual Signature

Address

.....

Description

Dated1914.

Please write distinctly.

BOOTS SIX PER CENTS.

A Copy of this Prospectus has been filed with the Registrar of Joint Stock Companies.

Boots Cash Chemists (Southern) Limited,

(INCORPORATED 1901)
Chemists, Druggists, Stationers, &c.

ABRIDGED PROSPECTUS.

Issue of 150,000 Six per Cent. "C" Preference Shares

WITH
Dividends Guaranteed as under mentioned,
Being Balance of a Series of 300,000 like Shares.

Subscriptions at 23/- per share including 3/- per share premium are invited for 150,000 "C" Preference Shares, payable in full on application. All premiums will be carried to the General Reserve Fund of the Company.

The "C" Preference Shares confer the right to a fixed cumulative dividend at the rate of 6 per cent. per annum, but confer no further right to participate in profits or surplus assets. They rank immediately after the "A" and "B" Preference Shares, but are preferential to the Ordinary Shares both as to capital and dividend.

The profit for the year ending 31st March, 1914, as shown in the Auditors' Certificate, amounts to £47,133
(This is without taking into account the full additional earning power of the present issue of £150,000 capital.)

Amount required for dividends on existing Preference Shares £25,500

Margin £21,633
(For Auditors' Certificate see full Prospectus).

As the dividends on the full present issue will absorb £9,000 only, the margin is considerable. Dividends are further secured by the following guarantee.

Boots Pure Drug Company Limited has entered into an agreement with this Company, guaranteeing a dividend of 6 per cent. per annum upon such shares until the 30th June, 1919.

It is intended to pay dividends on the present issue quarterly, the first dividend being payable on the 30th September, 1914. Dividends will run from date of payment for shares allotted.

A brokerage of 3d. per share will be paid to Brokers on allotments made on applications stamped with the name of a Stock and Share Broker.

Prospectuses may be obtained from the Company's Bankers, at the Branch Shops of Boots Cash Chemists, or at the Office of the Company, Station Street, Nottingham.

Dated 14th July, 1914.

Of the Shares referred to above preference in the allotment will be given to those subscribers who apply for a proportion of each issue. The following proportion is suggested, say:—

100 Boots (Southern) Ltd., 6 % issue at 23/-	...	...	...	...	...	£115 0 0
50 Boots Pure Drug Co. Ltd., 7 % issue at 24/6	...	...	...	...	...	61 5 0
						£176 5 0

and larger or smaller applications in the same proportion.

THIS APPLICATION FORM MAY BE USED.

Applications, with remittance in full, to reserve shares will be received at the Company's Office, on the appended Form. Please reserve for me (and send me full prospectus)—

....."C" 6 % Preference Shares of Boots Cash Chemists (Southern) Ltd., at 23/- each	£	:	:
....."D" 7 % Preferred Ordinary Shares of Boots Pure Drug Company Ltd. at 24/6 each	£	:	:
TOTAL	£	:	:

for which I enclose full payment.

Signature of applicant.....

[S.A.] Address of applicant.....(Street)

Date.....(Town)

To the Managing Director, Boots Cash Chemist
Station Street, Nottingham.

7 % Shares in Boots Pure Drug Company Limited, Founders of the businesses so well known as Boots Cash Chemists.

A Copy of this Prospectus has been filed with the Registrar of Joint Stock Companies.

Boots Pure Drug Company Ltd.,

(INCORPORATED 1888)
Chemists, Druggists, Stationers, &c.

ABRIDGED PROSPECTUS.

ISSUE OF
150,000 £1 Seven per Cent. "D" Preferred Ordinary Shares.

Subscriptions at 24/6 per share, including 4/6 per share premium, are invited for 150,000 "D" Preferred Ordinary Shares, payable in full on application. All premiums will be carried to the General Reserve Fund.

The shares now offered confer the right to a fixed dividend at the rate of seven per cent. per annum (non-cumulative), and are preferential to the Ordinary Shares both as to dividend and capital, but confer no further right to participate in profits or surplus assets.

The Auditors' Certificate (see below) shows that after providing adequate depreciation the profit for the last three years has averaged £104,895 per annum, and that the profit for the year ended 31st March, 1914, has amounted to £110,433. The dividends payable on all existing Preference and Preferred Ordinary Shares amount to £61,729 only, leaving a balance of £48,704 from which to pay Management Expenses, Directors' Fees, and the Dividends on this Issue. These Dividends will amount to £10,500 per annum only. This ample margin is without taking into account additional profits which will arise from the use of this additional capital. The profits of the Company have shown a progressive advance every year for the past ten years.

It is intended to pay dividends on the present issue quarterly, the first dividend being payable on the 30th September, 1914. Dividends will run from date of allotment.

AUDITORS' CERTIFICATE.

To the Directors of Boots Pure Drug Company Ltd.
We herby certify that we have audited the books and accounts of your Company for the past 26 years, and that during that period the business has constantly increased both in volume and profits.

The Annual Profits for the past three years have been as follows:—

For the year ending 31st March, 1912	...	...	£97,057
" " " 1913	...	...	£107,195
" " " 1914	...	...	£110,433

(or an average annual profit of £104,895).

These profits are after charging all working and business expenses, including interest, maintenance and repairs, and after providing liberally for depreciation, but are before providing for Directors' Fees and remuneration to the Managing Director.
SHARP, PARSONS and CO.,
Birmingham, July 9th, 1914. Chartered Accountants.

The Company shall be at liberty from time to time, without notice to or consent of the holders of the 7 per Cent. "D" Preferred Ordinary Shares for the time being issued, to create and issue further 7 per Cent. "D" Preferred Ordinary Shares ranking in all respects with the "D" Preferred Ordinary Shares for the time being issued.

Prospectuses may be obtained from the Company's Bankers, at the Branch Shops of Boots Cash Chemists, or at the Offices of the Company, Station Street, Nottingham.

A Brokerage of 3d. per share will be allowed on shares applied for through any Stock and Share Brokers.

Dated 14th July, 1914.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED,

39 CORNHILL, July 30, 1914.

Capital Authorised	£2,000,000
Capital Subscribed	1,700,000
Paid up	850,000
Reserve Fund	800,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on deposit are this day raised as follows: At Call, to Two and one half per Cent.; at 7 and 14 days' or longer notice to Two and three-quarters per cent. The Company discounts approved bank and mercantile acceptances, receives money on deposit at rates advertised from time to time in the London daily papers, and grants loans on approved negotiable securities.

CHRISTOPHER R. NUGENT, Manager.

ALEXANDERS and CO., LTD.,

24 Lombard Street, E.C.

Capital	£1,000,000
Subscribed	900,000
Paid up	500,000
Reserve Fund	100,000

The Rate of Interest allowed on Deposits has been this day raised to 2½ per Cent. at Call and 2½ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.

July 30, 1914. F. NEWCOMB, Manager.

NATIONAL DISCOUNT COMPANY, LIMITED.

Subscribed Capital	£4,233,325
Paid-up Capital	846,665
Reserve Fund	505,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on Deposit are raised as follows:—

- To 2½ per Cent. per annum at call.
- To 2½ per Cent. at 7 and 14 days' notice.

PHILIP HAROLD WADE, Manager. Approved Mercantile Bills discounted. Loans granted upon negotiable securities. Money received on Deposit at Call and short notice, and interest allowed at the current market rates; and for longer periods upon specially agreed terms.

No. 35 Cornhill, E.C., July 30, 1914.

THE UNION OF LONDON AND SMITHS BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the RATE of INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be Two and a half per Cent. per annum from this date until further notice, which will be given by advertisement only.

H. H. HART, Manager (Town and Foreign).

L. E. THOMAS, Manager (Country).

No. 2 Princes Street, E.C.:

July 30, 1914.

BRITISH LINEN BANK

(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 2½ per Cent. until further notice.

JAMES LITTLE, Manager.

Threadneedle Street, London, E.C.:

July 30, 1914.

LONDON & SOUTH-WESTERN BANK, LIMITED.

Head Office, 170 Fenchurch Street, E.C.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day raised to 2½ per Cent. per annum.

H. H. HAMBLING, General Manager.

July 30, 1914.

BANK OF SCOTLAND

(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts will be 2½ per Cent. until further notice by advertisement.

WILLIAM SMILES, Manager.

No. 30 Bishopsgate, E.C.:

July 20, 1914.

THE LONDON JOINT STOCK BANK LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day advanced to 2½ per Cent. per annum.

CHARLES GOW, General Manager.

5 Princes Street, Mansion House:

July 30, 1914.

THE COMMERCIAL BANK OF SCOTLAND, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 2½ per Cent. until further notice by Advertisement.

GEO. S. COULTS, Manager.

No. 62 Lombard Street, London, E.C.;

July 30, 1914.

PARR'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposit at seven days' call is 2½ per Cent. per annum until further notice.

R. W. WHALLEY,

Director and General Manager.

Bartholemew Lane, E.C.:

July 30, 1914.

LONDON COUNTY AND WESTMINSTER BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors is this day raised to the following Rates, viz.:

On Deposits subject to seven days' notice 2½ per Cent., and on Deposits at Call 2 per Cent. until further notice.

F. J. BARTHORPE,

Head Office Manager.

No. 41 Lothbury, E.C.:

July 20, 1914.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at its Head Office, Bishopsgate, and London Branches, is this day raised to 2½ per Cent. for money placed on Deposit at seven days' notice.

T. ESTALL,

D. J. H. CUNNINGHAM, } Joint General

F. ELEY, } Managers.

No. 15 Bishopsgate, London, E.C.:

July 30, 1914.

LLOYDS BANK LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is raised to 2½ per Cent. for money at seven days' notice.

HENRY BELL,

General Manager.

No. 71 Lombard Street:

July 20, 1914.

THE LONDON CITY AND MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches will be 2½ per Cent. until further notice.

J. M. MADDERS,

S. B. MURRAY,

F. HYDE, } Joint General

Managers.

No. 5 Threadneedle Street, E.C.:

July 30, 1914.

THE UNION BANK OF SCOTLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 2½ per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.

London Office, 62 Cornhill, E.C.:

July 20, 1914.

THE CLYDESDALE BANK, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 2½ per Cent. per annum until further notice.

JOHN CRAGG, Manager.

30 Lombard Street, London, E.C.:

July 20, 1914.

MARTIN'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 2½ per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN,

Managing Director.

No. 63 Lombard Street, E.C.:

July 30, 1914.

THE CAPITAL AND COUNTIES BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on DEPOSITS Repayable on SEVEN DAYS' NOTICE is this day raised to 2½ per Cent. per annum.

G. A. HARVEY, } Joint General

E. D. VAISEY, } Managers.

No. 39 Threadneedle Street, E.C.:

July 30, 1914.

ROYAL BANK OF SCOTLAND

(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 2½ per Cent. until further notice.

W. WALLACE, Manager.

No. 3 Bishopsgate, E.C.:

July 20, 1914.

WILLIAMS DEACON'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 2½ per Cent. per annum from this date until further notice.

JOHN J. MEAGHER,

Manager.

20 Birch Lane, E.C.:

July 30, 1914.

THE NATIONAL BANK OF SCOTLAND, LIMITED, Incorporated by Royal Charter and Act of Parliament.

London Office: NICHOLAS LANE, LOMBARD STREET.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 2½ per Cent. per annum for money at seven days' notice.

J. FERGUSON, Manager.

July 30, 1914.

TENDERS FOR LIVERPOOL CORPORATION BILLS.

1. The Corporation of Liverpool Hereby Give Notice that Tenders will be received at the Chief Cashier's Office, at the Bank of England, London, on Tuesday, the 4th August, at One o'clock, for Liverpool Corporation Bills to be issued under the Liverpool Corporation Act, 1900, 1905, and 1913, to the amount of £500,000 (five hundred thousand pounds), in replacement of Bills falling due on the 9th idem.

2. The Bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated the 8th day of August, 1914, and will be payable at six months after date, viz., the 8th day of February, 1915.

3. The Tenders must specify the net amount per cent. which will be given for the amounts applied for; and the Tenders of private individuals must be made through a London Banker.

4. The Bills will be issued and paid at the Bank of England, London.

5. The persons whose Tenders are accepted will be informed of the same on Wednesday, the 5th August, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England in London not later than Twelve o'clock on Saturday, the 8th August.

6. The Corporation of Liverpool reserve the right of rejecting any Tenders.

7. Tenders should be on the printed form, which can be obtained at the Town Clerk's Office, Municipal Offices, Liverpool; and at the Chief Cashier's Office, Bank of England, London; or at any of the Branches of that Bank.

EDWARD R. PICKMERE,

Town Clerk.

Municipal Offices,

Dale Street, Liverpool,

25th July, 1914.

HOLBORN AND FRASCATI LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Preference and Ordinary Shares of the above Company will be Closed from the 18th to 31st August, both days inclusive, for the purpose of preparing Dividend Warrants payable on and after the 1st September next.

By Order,

ARTHUR G. CHIFFERIEL,

Secretary.

32 Oxford Street, W., 29th July, 1914.

A. M. PEEBLES AND SON, LIMITED.

NOTICE IS HEREBY GIVEN that an Ordinary General Meeting of the above-named Company will be held at De Keyser's Royal Hotel, Victoria Embankment, Blackfriars, London, E.C., on Friday, the 7th day of August, 1914, at Twelve o'clock noon. The Transfer Books of the Ordinary Shares will be Closed until the 8th August next.

By Order,

B. E. CLARKE,

Secretary.

151 Queen Victoria Street, London, E.C.,

30th July, 1914.

BASS, RATCLIFF & GRETTON, LIMITED.

Notify that the Transfer Register of their Ordinary Shares will be Closed from the 10th to the 15th of August, 1914 (inclusive), for the preparation of Dividend Warrants.

RUSSIAN GOVERNMENT LOANS.

Lists containing particulars of all the Drawings of Russian Government Loans effected from 1/14 December, 1913, to 1/14 June, 1914, as well as the numbers of all Bonds drawn at previous drawings and not presented till the 1/14 June, 1914, have now been received from the Commission Impériale d'Amortissement, St. Petersburg, and may be obtained free of charge at the Offices of the Russian Bank for Foreign Trade, 61 & 62 Gracechurch Street, E.C.

IMPERIAL JAPANESE GOVERNMENT FOUR-AND-A-HALF PER CENT. STERLING LOANS OF 1905.

The Yokohama Specie Bank, Limited, London, announces that £250,000 Four-and-a-half per Cent. Sterling Bonds of the First Series and £250,000 Four-and-a-half per Cent. Sterling Bonds of the Second Series have been purchased on behalf of the Imperial Japanese Government for the purpose of cancellation, and the said Bonds are now cancelled.

The numbers of the Bonds so cancelled are the following:—

IMPERIAL JAPANESE GOVERNMENT FOUR-AND-A-HALF PER CENT. LOAN, FIRST SERIES.

22 BONDS OF £500.

210087/9 210278 210314 210474 210481 210503/4
210805 210728 210934 210945 211112 211181 211334
211588 211583 211587 211607 211723 211800.

855 BONDS OF £200.

130488 130987 130998/131006 131416 131511/14
131527 131533/5 131613 131860/1 131895/8 131912/20
132181/2 132337 132753/4 132794/5 132875/9 133328
133467/72 133570 133808 134035 134085/8 134308/11
134423/4 134588 134675 134800/2 134939 135422
135783/7 136070/0 136116/7 136278 136314/5 137175
137311 138062 138233/7 138343 138582/3 138677
138932 139027/8 139079 139109/10 139140/1 139649/50
139730/1 139967 140123/4 140132/3 140477 140804
141093 141487/8 141509/10 141584 141978 141998
142363 142536 142585 143018 143104/19 143494
143773 144353 144963 145121/2 145301/3 145441
145617/8 145994 146127 146196/90 146272 146338
146401 146704 146936 147371 147881/7 147739/48
148028/30 148137 148147/8 148245 148385 148637
148715 149751/3 149758/6 149800 149877 149878/11
149887/90 149920 149924/5 149996 150012/6 150572
150787 150899/900 151519/20 151540/3 152118/6
152691 153463 154046/50 154423 154835 155933/4
156104 156828 157483/4 158333 159113 159225 159512
159518/21 159579 159709 159868 160099 160120
160125 160293 160468 160740 160742/9 160998/9
161023/7 161302/10 161737/8 161963/70 162007
162126/7 162435/41 162641 163013 163433 163581
163681/2 163685 163926 163929/30 164274 164426/9
164498/500 164758/7 164784/6 164865/7 165167
165286/7 165385 165518 165793 165959 166162/3
166175/83 166797 167184/5 167489/91 167548 168030
168095 168145 168589 168659 168691/2 168764 169037
169731/2 169749 170071 170380 170397 170713 171352
171378 171632 171670 171978 172098 172365/6
172525/8 172608 172961 173264 173516/8 173530
173582 173780/1 173825 173906/7 174020/7 174184
174551 174948/9 175618 175740/2 175755 175815
176031 176408/10 176500 176522 176638 176884 177133
177841 177882/3 177899/900 177899/91 177892/2
177890 178425 178495 178529 178534 178542/3 178549/50
178558 180092 180104 180236/40 180265 180348
180559/60 180578 180781 180801/2 180896/7 181135/9
181267/9 181470 181509 181601 181606 181678
181719/21 181764 181867 181870 181967/7 182255/73
182657 182794 182828/9 182901 183091 183115 183179
183552/3 183609 183749 183811/7 183841 184139
184191/200 184341 184418 184537 184704 184924/5
184944 185122 185206 185381/2 185765 185838 185940
185968 186047 186251/2 186394 186619 186708
187114/5 187598/9 187848 187982/6 188139 188229
188292 188316 188500/2 188852 188854/5 188894
188944 189279/90 189496 189865/8 189876 189935/5
189947 189957 190013/4 190323 190365/9 190441
190499 190789 191081 191186 191299 191325 191408
191422 191470 191481/41 191523 191732 191734 191774/8
192171 192201 192203 192236 192313/22 192357
192378 192423 192428 192663 192771/2 192848 193604/5
193666/7 193858/9 193898/9 193978 194066/7 194320
194740 195069 195241 195507 195583 195862 195918 22
185927/7 196341/2 196103 196234 196256 196344
196365/77 196447/9 196546 50 196574 196731/2 196746
196954 196993/5 197267 197304 197518/18 197529/33
197633 197671/2 197795 197862/5 198199 200 198417
198573 198627 198687 198695/8 198760 198793 198897
199029/30 199073 199516 199576 199727/8 199830
199832 199840 200002/6 200357 200482 200567 200659
201780 201806 202099/100 202587/8 202893 203038
203050/2 203411/3 203415 203574 203934 203955
204105/7 204352/2 204775 204916 17 205243/4 205267
205598 205720 206520/2 206619/20 206734/8 206800/1
206827 206885 206991 207436/8 207564 207722/8
207806 208120 208141 208149 208542/6 208587/8
208880 208994 209619 209823/6 209946.

630 BONDS OF £100.

1584 2118 2123 2658 2820 3177 3427 3835 4206/7
4438/9 4834/6 5338/45 6505 7964/5 8466 8692/3 8880/8
8928 9341/8 13544 13549/90 13584 13756 13807/8
14119 14186/9 14240/3 14255 14574/6 15047 15612
15827/8 16027 16099/100 16280 16762 16856 17027/9
17030/1 17246/51 17346 17421 17737/44 18182/3
18280/7 18523/4 18882 18911 18959 18944 19267
19879 21407 22259 62 22716 22744/7 24263/4 24282
24678 25647 25857 25952/91 26264/6 26385 26516/7
27102/6 27456/7 28202 28489 28443 29857/8 30261
30954 31056/61 31355/6 31428 31811 32350 32720/3
32726 32953 32971 34081 34744 35030 35107 35110
35511/3 36692 36992 37007 37068 37440/1 37511
39079 39393/4 39460/1 40227 40618 40972 41606 41610
42162/8 42602 42667 43006/8 43087/9 43518 44080/2
44085 44226 44296 44555/6 44810 44812 44860 44949
45009 45699 46987 47644/5 49063 48939 42 49071/8
49508 49719 49767 49972 49984 4 50064 50691 50413
50593/4 50697 51013 51060/1 51978 52407 62832
53216/25 53384 53418/20 54201 55082/3 55677 55826/31
55838/9 55981 56077/8 56225 56461 56464 5 56620
56703 56726 56945 57185 57220 17 57227 57269 57606/8
57755 58077/80 58429 58681 58851 60 59135 59279
59761 59797/80 59955 60814/5 61033/34 61139 61421
61595 604 62998/9 63246 63284 63545 63780/4 63920
64180 64391/2 64394 64400 64597 65281 65510 66144
66128 66457 64 664 1/2 66549 52 66652 66947 6953/7
67498 67777 67881/90 68246 68306/9 68492/5 68615/9
69355 69660 71805 72522/2 72815/9 73290 73835/9
75209 76540/2 76551 76634 77102 77318 77815 78089/9
79479 79547/8 80297 80833 81217 81549 85 82075
85129 82847 83668/7 83666 83712/9 84496 84661
85062 85216 85795 85800/10 85964 85967 86202/5
86957 87350/1 87380/4 87621/2 87701/7 87709/10

87753 88946 89438 89499 89682 89689 89853 80124
90134/5 90354 90859 91232 91912 91937/40 92257
92373/8 92470/1 92498 92859/60 93856 93920 95022/3
95424/32 95641/5 95801 95919 97130/9 98280/1 98295
98431 98648 98949 98985 98989/90 100106 100377
101134 101714 103411 103816 103956 103974 104841
104736 105324 105639 105688 106134/8 106384 106399
106414/6 107084 107106 107438 107483 107684 107825
108318 109643 108711 109880 111081 112320 113264
114625 114668 115252 116067 116109 118113 118136
118289 118905 117284/5 117758 118780 119657
120318 120557 120588 120882 121118 121680 122225
122948 122952 123043 123663 124599 125275 125688
127231 127746 127829 129450.

IMPERIAL JAPANESE GOVERNMENT FOUR-AND-A-HALF PER CENT. LOAN.

SECOND SERIES.

807 BONDS OF £200 EACH.

325002 325128/39 325191 325251/5 325366/70 325673/4
328483/4 328641 328763/8 327809/10 328495 502
329858/60 329878/8 329906/8 329726/7 329746
331305/8 331343 331528 331827 332606 332823 332788/8
332858 332992/8 333606 333711/2 333790 334234
334541 334727 334921 335743/4 335768 335823 335847
336302/11 336531 336611/2 336841/3 337064/7 337522
337787/8 338110 338975 339175 340245/6 340708/10
341232 341534/5 341537/43 341818 342595 342988
343002 343049 343449 344263 344783/4 344953 345189
345205 345275 345384 345408 345704 345719 345899 90
346011 346042 346118 346122/3 346125/9 346177
346274/5 346318 346345 346894/5 346898 347242
347275 347345 347400 347473 347689 347774 347784
347805 347818 347864/5 347867 348218 348415
348527/8 348677 348762 348831/2 349858 61 350133
350201 350296 351333/4 351348 351636 351638
351665 351674 351844 352214 352236/7 352737 352646
352795 353110/1 353174/7 353321/2 353324/6 353681
354813 354833 354944/5 355099 355118 355201/7
355490 355845 355950 355966/7 356848 356751
356789/90 356798 356870 357059 357978 358008
358145 6 358446 358634 358870 358997 359134
359156/60 359292/7 359627 359951 360022 360120
360422 360463 360488 360801 360853 361046 361455
361601/2 361789/90 361833 361851 362032 362163
362187/8 362487 362706/9 363093/4 363198 363201
363247 363443/6 363443 364523/5 364558 60 364592
365006 365151 365250 365316 365331/4 365453 365455
365557 60 365633/5 365720 365811 365820 1 365973/4
366388 366371/5 366420 2 366543 366547 366747/8
367051 367054/7 367388/90 367395/60 367509 367577
367973 368101/6 368129 368132/4 368176/9 368705
368991 369295 369600/1 369849 369873 369897 70188
370208/9 370253 370382 370382 370480 2 370951/7
371100 371458 371481 371521 371560 371659 371757 66
372010 372064/7 372177/8 372241 372257 372305
372908 373113 373130/1 373468 373471/2 373671
373764/5 373888/9 373963 373968 373971/4 374172/4
374182 374416/7 374505 374511 375276 375311 375729
375765/9 376341/4 376352 376466 376473/4 376841
376900 378992 377279 377282/3 377293 377752/5
377763 377765 377810 377965/7 377977/8 378433
378146 378571 378687 378907/13 378955 378961/2
378997 379013 379015 379240 379321 379853 380258
380793/4 381498/9 381853/5 382150 382167/8 382216
382238 382258 382305/6 382312/3 382352/8 382408
382413 382415 382577 382702 382708 382728 383250
383389 90 383474 383583/6 383635/9 383815/7
383824 54 383965/8 383982/908 383919 384349/58
384481 384491/4 384699/700 384816 385151 385789
385945 386087 386159/63 386428 386492 386543
386661/2 387191/4 387237/8 387245/6 387297 294747/8
387606/7 387737 388038 388220 388297/8 388621/2
388837 388843/4 389067 389107 389115/6 389419 20
389513 389541 389892 390095 390231 390456/7
390698/9 390828 390834 390924 390994 391318/7
391396 391493 391545 391899 391974 392057 392109
392568/9 392744 392851 393255 393560 393745 393551
393990 394112/3 394889 394830 395060 395258 395630
395698 396034 396113/5 396375 396421/4 396816
396896 397031 397295 397483 397737 397966 397985
398283 398464 398544 398979 399377 400146 400280
400284 400521 400680 400723 400747 400873 400978 85
401215 401223/4 401318/9 401329/30 401457 401552
401978 402142 402237 402255 402259.

709 BONDS OF £100 EACH.

225143 225179 225451 225867 226435 227165 227264
227438 42 227504 227546 227627 227760 227800/1
227811 228127/8 228244 228555 228721 229345 230864/7
230917 231006 231270 231490/1 231860 232390 232439
232526 232715 232805 232858/9 233021 233079
233735 235072 235234 235505 235943 236411 236515
237111 238172 238210/1 238281 238405 238551 238591
238596 238663 238736/7 238925 239075 82 239140/4
239165 239720/39 241345 241367/2 241706 242920
244107/8 244564/6 245095/6 245117 245201 245220
245307 245333/4 245363 245476 245753 246460 246657
246808 247018 247183 247460 247944 248045 7 248266
248460 2 248493 248907 248945 248985 249245 249280
249290 249369 249435 249611/2 249669 250011/5
250222 250811/3 250992 251127 33 251944 56 252568
252753 252895 254050 254082 254368 254372 5 255329/5
255616/7 255774 255988/1 256428/9 256587/2
256856 95 257200/2 257587 258253 60 258528 39
259107 259109 259180 259236 8 259314 259435/8
259833 259899/900 260356 260682 261415 261738
261932 262440/1 263238 263260 263559 60 263766
263791 263834 263988 264241 264600 264635 264649
264700 264845 265023/5 265293/5 265615 265823
266233 266308 266318 21 266444 266465 26654/6
267582 267786 267933/5 268243 268259 268365/4
270355/6 270908/10 271106 271166 271229 271291/2
271570 272055 272079 272470 272833 273837/8 274351
275630 276435 40 276524 276617/9 276729 276857
277431 278051 278059 278091 278134 278949 55 28047/9
280416 280624/5 280723 280740 280893/4 280964
281121 281217 281453 281692 93 282225 282338
282372 282328 283492 284062 284403 284707 285016
285130 285329 285462 285843/5 285848 285852 285942
286160 286464 287256/7 287673 287724 287952/3
288279 288305 288487 288992 289554 289911 290251
290421 290629 290695 290802 290839 40 291029
291101 291207 291414 291745 292099 100 292247
292266 292345 292551/3 292998 293018 293960/6
293638 293662 294005 294374 8 294494 294810 297036/7
297591 298045 298094 298380 298383 298721 299679
299694 299960 300067 300195/9 300659 60 300681/5
301436 301602 301757 301796 301801 301867 302061

302242 302358 302472/3 303505 303556/7 304229
304572 304832 305223 305274 305718 305803/9 305812
305951 306109 306491/2 306



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VOLUME LXXX.

(APRIL-JUNE, 1914)

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The Statist.

LONDON, SATURDAY, AUGUST 1, 1914.

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The Money Market.

Thursday Evening, July 30, 1914.

Bank of England { 4½ per Cent. (Jan. 8, 1914)
Rate. { 4 per Cent. (Jan. 22, 1914)
3 per Cent. (Jan. 29, 1914)
4 per Cent. (July 30, 1914)

Discount Rates:—

60 DAYS. 3 MONTHS. 4 MONTHS. 6 MONTHS
PER CENT. PER CENT. PER CENT. PER CENT.

Bank Bills ... 5½ 5½ 5½ 5½
Trade Bills ... — 5½ 5½ 6

Deposit Rates:—

	Rate.	DATES FIXED.	AT CALL	(SHORT NOTICE— 7 DAYS. 14 DAYS.)	
Banks { Present July 30, '14	—	...	2½	...	2½
{ Previous Jan. 29, '14	—	...	1½	...	1½
Discount { Present July 30, '14	2½	...	2½	...	2½
Houses { Previous Jan. 29, '14	1½	...	1½	...	1½

MONEY AND THE CRISIS.

In consequence of the grave situation that has arisen through the action of Austria in making war upon Servia and refusing to submit the question at issue to a conference of the Powers, measures have begun to be taken in all the international markets against the possibility of a great European war, and to-day (Thursday) the Bank of England rate has been raised to 4 per cent., and the Bank of France rate from 3½ to 4½ per cent., while the open market rate of discount in London has risen to 5½ per cent. At the moment indeed bankers are taking bills only from their regular customers, while great numbers of

bills are being taken to the Bank of England for discount at the official minimum. In the week ended Wednesday applications were made to the Bank for nearly £14,000,000, and the amount has since been largely increased.

The action of the Bank and of the open market is largely protective, and is for the purpose of attracting gold to London and preventing its shipment to the Continent. The precautionary measures taken, attended as they have been by the sale of a large amount of American securities to the United States, have caused the shipment to this country from New York of about £4,000,000 of gold, and it is probable that this shipment will be followed by additional shipments both from the United States and from other countries.

In a very short time, therefore, the stock of gold in the Bank of England may be largely increased, and the Bank will be in a still better position to give whatever accommodation is needed to prevent undue stringency in the London market. The condition of the foreign exchanges at the present time is remarkable. The rate of exchange from New York is a long way above gold point, the sight exchange being 4.94, which renders gold shipments very profitable. The German cheque exchange is as high as 20.70, a figure which, in normal circumstances, would bring a large amount of gold from Berlin to London. On the other hand, the French exchange is as low as 24.75, and £1,833,000 of gold has been taken for Paris this week, with the probability that additional sums will be shipped. In view of the exceptional conditions that now prevail the Bank of England is giving facilities for the shipment of gold from New York to London by placing immediately the amount shipped to the credit of the shippers.

It is always the practice of the Bank of England to discriminate against foreign bills, and at the present time the Joint-Stock Banks are also making similar discrimination against both foreign bills and foreign houses when they are desirous of discounting bills of any kind. This action of bankers is due to a desire to protect the stock of gold in London from being withdrawn for the Continent and to build up the reserves of the Bank as speedily as possible.

Doubtless the advance in the Bank of England rate this week had also for its object the desire to warn the country that the existing situation is exceptional, and that unless there is a change in the course of political events a still higher Bank rate will become necessary. The action of the Joint-stock Banks in raising the open market rate of discount to $5\frac{1}{2}$ per cent., and in forcing so much business into the Bank of England, is itself an indication that the country is in for a period of high rates of interest.

At the present moment, while it is desirable that everyone should act with due caution, it is essential that confidence should be maintained, and that no check should be placed upon the every-day work and activities of the nation. The Joint-stock Banks are, we are sure, fully aware of this necessity, and will afford the usual accommodation to their customers. The Chancellor of the Exchequer on Wednesday stated that he had been in consultation with the Bank of England, and that he was advised there was nothing in the financial situation at present which would make it necessary or advisable for the Bank of England to convene a meeting of bankers to take steps to deal with the present financial position.

Money from day to day and for short fixtures remains fairly plentiful, and this afternoon was quoted at $3\frac{1}{2}$ per cent.

LIVERPOOL BILL RENEWAL.

TENDERS will be received at the Bank of England on Tuesday next, August 4, for Liverpool Corporation bills to the amount of £500,000, in replacement of a similar amount of bills falling due on August 9. The bills will be dated August 8, and will be payable at six months after date—viz., February 8, 1915.

DEPOSIT RATES.

In consequence of the increase of 1 per cent. in the Bank Rate to-day the joint-stock banks have raised their deposit rates from $1\frac{1}{2}$ per cent. to $2\frac{1}{2}$ per cent. The discount houses have also increased the rates of interest allowed by them on money at call and at short notice from $1\frac{1}{2}$ per cent. and $1\frac{3}{4}$ per cent. to $2\frac{1}{2}$ per cent. and $2\frac{3}{4}$ per cent. respectively.

BANK OF ENGLAND.

THE reserve of the Bank of England has been reduced this week by £2,422,000 to £26,875,000, in consequence partly of the normal demand for cash immediately before the August Bank Holiday, and partly of gold shipments on foreign account. The loss of gold was £2,033,000, of which £1,213,000 was for the country and £820,000 was for abroad. Since Wednesday the Bank has lost a further sum of nearly £1,300,000 in gold for France, Egypt, and other places, and has received £250,000. The note circulation last week increased £389,000. The stock of gold is now £38,131,000, and the notes in circulation £29,706,000. "Other" securities have increased £13,675,000 this week. This has enhanced market balances by £12,234,000 to the relatively great sum of £54,419,000. Public deposits show a decline of £1,022,000, and now reach £12,713,000. The proportion of reserve to liabilities has fallen from 52.4 to 40.03 per cent. A fresh advance in the Bank of England rate to 5 per cent. seems likely to occur next week, in consequence of the very large amount of money that is now being obtained from the Bank and the resulting fall in the proportion of reserve to liabilities.

MONEY IN NEW YORK.

THE political situation on this side has caused the sale by Europe in New York of great quantities of American securities, and in consequence of this the New York exchange has risen to the high figure of 4.94, and over £6,000,000 of gold has been engaged for shipment from New York to London, of which £4,000,000 is for London and £2,000,000 for Paris. The reserves of the Associated Banks last week increased over £2,000,000 to £78,700,000. On the other hand the loans showed a small decline, and the increase in deposits was only £1,500,000. Hence there was an increase of £1,668,000 in the surplus reserve, bringing the total to £4,766,000. Doubtless the large shipment of gold from New York to London this week has been attended by some curtailment in loans, otherwise the whole of the surplus reserves has disappeared. It is possible, however, that money will now tend to accumulate in New York, and that this accumulation will enable gold to be shipped to Europe without reducing the reserves of the Bank below the legal minimum. At such a time as this it may be hoped that the Secretary of the Treasury will assist matters as far as possible by placing some of the Government's large cash balance on deposit with the banks in order to prevent a money squeeze. The rate for call money in New York has now risen to 5 per cent., while time money rates are advancing with very little disposition on the part of bankers to make time loans.

MONEY IN INDIA.

EXCHANGE has now declined to 1s. $3\frac{3}{4}$ d., and the demand for Council drafts was a very light one. Consequently the Council has reduced the amount to be offered for tender to 10 lacs per week. The

cash balance of the Bank of Bombay this week increased 76 lacs to 753 lacs, the public demand having been reduced 49 lacs. The cash balance of the Bank of Bengal has risen 105 lacs to 1,600 lacs, the public demand having diminished 109 lacs. The stock of coined silver in the Currency Department has increased 110 lacs to 3,220 lacs, while the stock of gold has risen 20 lacs to 1,820 lacs. The advent of war on the Continent is likely to have an important influence upon the trade balance of India, and may cause a revival in the demand for exchange at an earlier date than recently seemed probable.

War usually means dear food, and India would derive advantage from such conditions. The stock of silver in the Currency Department is, however, very great, and should a more favourable condition of the Indian trade balance occur the Indian banks will doubtless employ their resources to strengthen their balances in London. It is unfortunate that the Indian wheat crop this year should be deficient. Nevertheless, high prices of food in the European markets may bring out hidden stocks of wheat and cause the value of India's exports to be much larger than hitherto anticipated.

The following are the minimum Rates of Discount current in India:—

Bombay ... 3 per cent. (June 25, '14) | Bengal ... 3 per cent. (July 9, '14).

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, July 29, are:—

BILLS.					TELEGRAPHIC TRANSFERS.				
Rate.	Tendered.	Accepted			Rate.	Tendered.	Accepted.		
s. d.	Rs.	Rs.	%		s. d.	Rs.	Rs.	%	
1 3½...	1,50,000	1,50,000	100		—	—	—	—	
1 3½...	3,25,000	3,25,000	100		—	—	—	—	
Total ...	4,75,000	4,75,000	100		Total ...	—	—	—	
Offered.					Tendered.				
Grand Total ... Rs. 20,00,000					Rs. 4,75,000				
					Accepted.				
					Rs. 4,75,000				

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	BILLS.				Telegraphic Transfers.			
	Ra.	Average.	Minimum.		Ra.	Average.	Minimum.	
Calcutta	1,50,000	1/3.968	1/3½	...	—	—	—	...
Bombay	1,00,000	1/3.937	1/3½	...	—	—	—	...
Madras	2,25,000	1/3.937	1/3½	...	—	—	—	...

From April 1 to July 28 inclusive the Council have granted remittances for Rs. 4,60,13,332, realising Rs. 3,07,1,778. Up to July 29 of last financial year the total Bills and Transfers sold was Rs. 9,35,60,999, realising Rs. 6,25,1,194. The total sales for the week ended July 29 amounted to Rs. 2,90,000, realising Rs. 19,298. The amount to be offered for tender next Wednesday will be reduced to 10 lacs.

SILVER.

The price of silver this week has fallen from 24½d. to 23½d. per oz., mainly in consequence of the political situation and the unwillingness of everyone to purchase the metal in consequence of Money market conditions. The hope of any substantial recovery in the price of silver seems to depend upon China and the ability of that country largely to increase its exports of food.

	July 24	25	27	28	29	30
London	24½	24½	24½	24½	24	23½
India	Rs. 63½	83½	62½	62½	62½	62½
Exchange	1/3½	1/3½	1/3½	1/3½	1/3½	1/3½

Stock Exchange.

Settlement Days.	TICKET DAY.	PAY DAY.	CONSOLS.
	Tues., July 28	Wed., July 29	Thurs., Aug. 13
	Wed., Aug. 12	Thurs., Aug. 13	—
	Wed., Aug. 26	Thurs., Aug. 27	—

Friday evening.

No period has been fuller of anxiety than the days that have elapsed since Austria refused on Saturday last to accept the Servian reply to her ultimatum, and diplomatic relations between the two countries were broken off. A certain measure of hope has arisen from time to time as it became known that the British Foreign Minister was actively engaged in promoting a conference to mediate between Servia and Austria, and when later it became known that the Austrian

Emperor and the Tsar of Russia were in direct correspondence. But the actual declaration of war by Austria, and the partial mobilisation of the Russian Army, combined with the statements of Sir Edward Grey and Mr. Asquith in the House of Commons as to the extreme gravity of the situation, have caused the recurring hopes of a settlement to become very faint.

All hope, however, has not yet departed, as the British Government is still endeavouring to localise the conflict. When the gravity of the situation is taken into account, its effect upon the stock markets cannot be regarded as unduly great. That a greater fall in prices has not occurred in London, at any rate, testifies to the good sense and courage of the British investing public. The falls that have taken place in the prices of securities have been specially great where the securities were largely held on the Continent, and where the feeling of anxiety was reflected by endeavours to sell stock at any price.

With regard to the relative fall in the price of Consols and in other Government securities, it should be borne in mind that dealings in Consols in London have been free and unimpeded, and that anyone wishing to sell Consols has been able to accomplish his purpose. On the other hand, dealings in securities of Continental Governments have been practically impossible, as business has been almost suspended, and prices were maintained in consequence of the refusal of dealers to purchase.

We set out below a comparison showing the falls that have occurred in the more prominent stocks:—

	July 20.	July 20.	Fall in 10 days.
	£	£	£
Consols, 2½	99½	77½	- 22
Irish Land Stock, 2½	77½	75½	- 2
Transvaal, 3	92	144	- 22
India, 3½	75½	89½	- 4
Austrian Rentes, 4	76½	80½	- 4
French Rentes, 3	76½	81½	- 5
German, 3	72	75	- 3
Hungarian, 4	73½	77½	- 6
Italian, 3½	91½	94	- 2½
Russia (1889), 4	79	86	- 7
Gt. Northern Railway Def.	44½	51½	- 6½
Gt. Western Ord.	108½	115½	- 7½
L. and N. Western Railway	121	129½	- 7½
L. Brighton and S. O. Def.	72	83½	- 11½
Midland Def.	63½	72½	- 7½
North Eastern Ord.	115½	123½	- 5
South Eastern Def.	31½	46½	- 15½
Atchafson Common	91½	100½	- 7½
Belt. and Ohio Common	72½	85½	- 10½
Canadian Pac. Common	165	190½	- 25½
Chesapeake and Ohio	43	47	- 4
New York Central	83	87½	- 4½
Pennsylvania, \$50	54½	56½	- 1
Union Pac. Common	118½	161½	- 10½
U.S. Steel Common	54½	61½	- 7½
Brazil Railway Common	16	24	- 8
B. A. and Pac. Ord.	12½	61½	- 9
B. A. Gt. South Ord.	102	111½	- 9½
B. A. Western Ord.	102½	111½	- 9
Grand Trunk Ord.	12	14½	- 2½
" 3rd Pref.	26	34½	- 8½
Nat. of Mexico 1st Pref.	25	31½	- 6½
" 2nd Pref.	8	12	- 4
San Paulo Ord.	215½	239½	- 24
Brazil Traction	57½	76½	- 17½
Coats (J. and F.) Ord.	7	7½	- ½
Hudson Bay	7½	8½	- 1½
Under Electric Ord.	2	3½	- 1½
Vickers Ord.	33,0	35,6	- 2,6

The decline in stocks has been due mainly to the liquidation of speculative accounts, and to the desire of persons having obligations to meet to provide themselves with liquid resources. A relatively large number of stockbrokers have been unable to meet their differences, and this, of course, has added to the difficulties of the situation. The great British investing public has, however, shown its good sense by

coming into the market to purchase stocks at the low level of prices, and now that the rush of selling orders is over the purchase of stock by investors will greatly assist in steadying the market and in maintaining prices.

In the unprecedented and critical situation that exists we would make a special appeal to the patriotism as well as to the interest of the great investing public. It is obvious that if on the announcement of important decisions either by the Russian, German, French, or English Governments, the British investing public takes alarm, a very dangerous and difficult situation will arise. On the other hand, if the British people are true to their character and the greater the danger the greater their self-control and the greater their determination, they will husband their resources and will assist in the work of maintaining confidence. It is obvious that if the whole of Europe becomes engaged in war, and if this country becomes embroiled in the general conflict, success will depend in large measure upon the ability of the British public to find money in abundance. To fail to do so would be to court disaster.

At such a time it is of the greatest importance that everyone should endeavour to act as if great events were not impending. Were confidence seriously disturbed business would come practically to an end, and our ability to face the difficulties that may be in front of us would be seriously impaired. Therefore, it is of vital importance that, as far as possible, the events that are now taking place should not interfere with the daily life and the daily work of the nation. Orders should be given, factories should be run, and everything should be arranged to maintain, as far as possible, the productive power and the income of the country. It cannot be too clearly realised that the nation's income is dependent upon its daily work and its daily production, and that at a time such as the present it is desirable that everyone should work harder and be more productive in order that we may have the income, and therefore the money, with which to meet any expenditure and any burden that may be placed upon us.

A little over a century ago, when the nation was at war with Napoleon, its income was a very small one, being less than one-eighth of what it is at present, and in a comparatively short space of time the British people succeeded in raising about £1,000,000,000 of money for war purposes, and so great was their confidence and courage that at the end of the great war which severely taxed their resources they were stronger and wealthier than they had been at the beginning. If the British people are animated with the spirit of their fathers they should experience no difficulty in providing loans for war purposes, if necessary, to the extent of several hundred millions a year. In the current year the new issues of capital in the London market alone will probably reach £250,000,000, after providing for the nation's expenditure upon the construction of houses and the extensions of works. If the occasion should arise, the British people should be able, without any serious difficulty, to raise loans amounting to £200,000,000 a year over and above any sums they may derive from the sale to the United States of a part of the great quantity of American securities they now possess.

But for this to be accomplished the situation must be faced with courage and confidence on the part of everyone. Investors must continue to invest, bankers must continue to lend, the Stock Exchange must

continue to deal, and everyone according to his ability must endeavour to work hard in order that individual incomes and therefore the income of the whole nation may be maintained at the highest possible level. Having regard to the character of the British people we are confident that this will be done, and that our investors will take advantage of the present time to purchase rather than to sell securities, believing that the country will emerge from its period of trial with renewed and increased strength. In such times the true character of a nation is tested, and it may be that the British people will be subjected to a more severe test even than the one to which they were subjected by the great Napoleon over a hundred years ago.

HOME RAILWAY RESULTS.

NORTH STAFFORDSHIRE RAILWAY.

The past half-year has not been quite as profitable for the North Staffordshire Railway as was the first half of 1913, and therefore the directors have decided to reduce the rate of dividend from 4 per cent. to $3\frac{3}{4}$ per cent. The falling off in gross receipts was in the neighbourhood of £6,000, and apparently expenses and interest charges were somewhat larger, with the result that the net profit for the half-year was down to the extent of almost £8,000, as compared with the first half of 1913. The reduced dividend called for £4,493 less, and the balance of £8,000 carried forward was about £3,000 smaller. For the June half of 1912—a period including the coal strike—the profits were almost identical with those secured in the past six months. How the profits for the June halves of the last four years compare will be evident from the appended statement:—

	June Half			Inc. or Dec.	
	1914	1913	1912	1911	1914 on '13.
	£	£	£	£	£
Net profit ...	64,558	72,511	64,892	81,236	-7,933
Dividend ...	67,400	71,893	67,400	80,880	-4,493
Do. per cent. ...	(3½%)	(4%)	(3½%)	(4½%)	-(½%)
• Surplus ...	Dr. 2,842	618	Dr. 2,508	356	-3,460
Brought forward ...	10,842	10,382	10,590	10,682	+ 460
Carried forward ...	8,000	11,000	8,082	11,033	-3,000

For the December half of 1913 the Company distributed a dividend at the rate of 6 per cent., a higher payment than had been made for many years. Therefore, for the twelve months to June last the dividend has been $4\frac{7}{8}$ per cent., which compares with $4\frac{1}{2}$ per cent. paid for the previous year and with $4\frac{3}{8}$ per cent. paid for 1911-12. North Staffordshire stock has declined this week to 79, and the yield at this price from the $4\frac{7}{8}$ per cent. dividend is £6 3s. 5d. per cent. Comparison of recent dividends is as follows:—

North Staffordshire.													
	'13-14.	'12-3.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.	
Dec. half ...	6	5	5	5	4½	4½	4½	4½	4½	4½	4½	4½	%
June half ...	3½	4	3½	4½	4	3½	3½	4	4	3½	3½	4	%
Year ...	4½	4½	4½	4½	4½	3½	4	4½	4½	4	4	4½	%

THE PERFECTED SYSTEM OF LIFE ASSURANCE.

LEGAL AND GENERAL

LIFE ASSURANCE SOCIETY.

ESTABLISHED 1836.

**COMPOUND rate of Bonus for last 20 years,
£1 18s. per cent. per annum.**

Head Office - - - 10 FLEET STREET, E.C.
City Office - - - 158 LEADENHALL STREET, E.C.

Year	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	

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(Continued from p. 335.)

BARRY RAILWAY.

The dividend on Barry Ordinary is unchanged for the past half-year at the rate of 10 per cent. per annum, which, with a similar rate of distribution for the December half of 1913, makes the dividend 10 per cent. for the year to June 30. Upon the Deferred this is equal to a dividend of 6 per cent., against the same rate for 1912-13 and only $1\frac{1}{2}$ per cent. for 1911-12. No data are available which enable one to arrive at the earnings and profits of the first half of 1914, beyond the mere figures of gross receipts as reported weekly by the Company. These showed a falling off of about £3,000 in gross receipts, but comparison of estimates with estimates would seem to indicate that a gain of £10,000 was secured in gross earnings. The balance brought into the half-year was £1,229 higher. The price of Barry Ordinary is $167\frac{1}{2}$, at which the 10 per cent. yields £5 19s. 5d. per cent. The Four per cent. Preferred is at 81 and yields £4 18s. 9d. per cent., while with the Deferred standing at $88\frac{1}{2}$ the return from the 6 per cent. dividend is £6 15s. 7d. per cent. For the past twelve years the Barry Railway has distributed the following rates of dividend:—

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	10	10	7	6	$6\frac{1}{2}$	7	$7\frac{1}{2}$	9	8	9	9	8
June half	10	10	4	6	7	$6\frac{1}{2}$	$8\frac{1}{2}$	10	8	10	9	9
Year	10	10	$5\frac{1}{2}$	6	$6\frac{1}{2}$	$6\frac{1}{2}$	$8\frac{1}{2}$	9	$8\frac{1}{2}$	$9\frac{1}{2}$	$9\frac{1}{2}$	$8\frac{1}{2}$

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	6	6	3	2	$2\frac{1}{2}$	3	$3\frac{1}{2}$	5	4	5	5	4
June half	6	6	Nil	2	3	2	$2\frac{1}{2}$	$4\frac{1}{2}$	6	4	6	5
Year	6	6	$1\frac{1}{2}$	2	$2\frac{1}{2}$	$2\frac{1}{2}$	3	$4\frac{1}{2}$	5	$4\frac{1}{2}$	$5\frac{1}{2}$	$4\frac{1}{2}$

MARYPORT AND CARLISLE RAILWAY.

The directors of the Maryport and Carlisle Railway have announced a dividend for the June half of 1914 at the rate of 5 per cent., in comparison with $6\frac{1}{2}$ per cent. declared twelve months ago. The reduction in profit as indicated by the cut in the distribution is about £6,000, but beyond this no particulars are, unfortunately, available as to the profits of the past half-year. Gross receipts for the period were reported by the Company to have decreased some £9,500. That this shrinkage in receipts occurred is due mainly to a somewhat smaller tonnage of coke coming forward from the North-Eastern coast on account of the increased output of the local by-product ovens, and to the falling off in the tonnage of iron ore brought into the Scottish smelting districts from West Cumberland. Inasmuch as the distribution for the December half of 1913 was at the rate of $6\frac{1}{2}$ per cent., Maryport and Carlisle stock has received $5\frac{1}{2}$ per cent. in respect of the year to June 30, 1914, which compares with $6\frac{1}{2}$ per cent. paid for 1912-13, and with $5\frac{1}{2}$ per cent. paid for 1911-12. The current price of the stock is $106\frac{1}{2}$, and the return from the $5\frac{1}{2}$ per cent. dividend is thus £5 11s. per cent. The dividends paid for each half-year and year since 1902-03 have been as follows:—

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	$6\frac{1}{2}$	$6\frac{1}{2}$	6	$6\frac{1}{2}$	6	6	$7\frac{1}{2}$	$7\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	7	$7\frac{1}{2}$
June half	5	$6\frac{1}{2}$	5	$6\frac{1}{2}$	$6\frac{1}{2}$	6	6	$7\frac{1}{2}$	7	$6\frac{1}{2}$	$6\frac{1}{2}$	7
Year	$5\frac{1}{2}$	$6\frac{1}{2}$	$5\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	6	$6\frac{1}{2}$	$7\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$7\frac{1}{2}$

HIGHLAND RAILWAY.

The policy adopted by the directors of the Highland Railway a year ago has again been followed, and no distribution is forthcoming on the stock of that Company in respect of the June half-year. This means that the directors of the Company prefer to wait until the close of the calendar year before deciding to what extent profits shall be divided. Last December, six months ago, a dividend of $2\frac{1}{2}$ per cent. was declared for the whole of 1913. That no distribution is again forth-

coming for the first half of the year is no indication that profits have not improved. Although beyond the bare announcement that the stockholders will receive nothing in respect of the past half-year, no information has been given by the Company regarding earnings and profits, there is a likelihood that the net profits have been added to out of the gain of £13,000 reported to have been secured in gross receipts. The price of Highland stock is now $37\frac{1}{2}$, at which the $2\frac{1}{2}$ per cent. dividend paid for 1913 yields £6 17s. 11d. per cent. Appended is a statement of recent dividends:

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	5	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	2	2	2	$1\frac{1}{2}$	1
June half	Nil	Nil	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	1
Year	$2\frac{1}{2}$	$1\frac{1}{2}$	$2\frac{1}{2}$	2	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	1

GREAT NORTH OF SCOTLAND RAILWAY.

The interim dividend for 1914 on the Deferred stock of the Great North of Scotland Railway Company is maintained at the rate of 1 per cent. Such an announcement was anticipated, it being considered that any addition to profit in the past half-year would be carried forward to the December half-year. It is to be hoped that the policy adopted by this Company of not furnishing any data regarding earnings and profits in respect of the past six months will not be followed by the other Scottish companies whose dividends have yet to be announced, for, unfortunately, not a tittle of information is available as to the past half-year's profits. According to a comparison of estimates with estimates, gross receipts would appear to have gained £11,000, and notwithstanding the fact that about £1,000 less was brought into the half-year it is possible there may have been a small improvement in profit. Six months ago the rate of dividend on the Deferred was 2 per cent., so that in respect of the past year the distribution has been $1\frac{1}{2}$ per cent., against 1 per cent. for the previous two years. The Three per Cent. Preferred stock is quoted at 54, and yields £5 11s. 1d. per cent. As regards the Deferred, the yield at the current price of $20\frac{1}{2}$ xd. from the present rate of dividend of $1\frac{1}{2}$ per cent. is as high as £7 6s. 4d. per cent. Below is a comparison of dividends paid for each of the last 12 years:—

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	2	1	$1\frac{1}{2}$	1	Nil	$\frac{1}{2}$	$\frac{1}{2}$	1	1	$\frac{1}{2}$	$\frac{1}{2}$	$1\frac{1}{2}$
June half	1	1	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	1	1	$\frac{1}{2}$	$\frac{1}{2}$	$1\frac{1}{2}$
Year	$1\frac{1}{2}$	1	1	2	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	1	1	$\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$

MIDLAND GREAT WESTERN RAILWAY OF IRELAND.

In respect of the June half of 1914 the rate of dividend announced is the same as that for the first half of last year—namely 2 per cent. per annum. For the June halves of the previous nine years the distribution had been at the rate of 3 per cent. For the December half of 1913, however, the rate was 4 per cent. against 3 per cent., so that for the past 12 months the stock receives 3 per cent., in comparison with $2\frac{1}{2}$ per cent. This Company, it is to be noted with regret, has not vouchsafed any information regarding the earnings, expenses, and profits of the June half of 1914 beyond the meagre figures contained in the traffic statements, which showed a falling-off of between £6,000 and £7,000 for the first twenty-six weeks. The stock is at present quoted $47\frac{1}{2}$, at which figure the return afforded by the dividend of 3 per cent. paid for the past year is £6 10s. 5d. per cent. The dividends paid by the Company for each of the last twelve years are set out in the following statement:—

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	4	3	3	3	3	3	3	3	3	3	$3\frac{1}{2}$	$3\frac{1}{2}$
June half	2	2	3	3	3	3	3	3	3	3	3	$3\frac{1}{2}$
Year	3	$2\frac{1}{2}$	3	3	3	3	3	3	3	3	$3\frac{1}{2}$	$3\frac{1}{2}$

	Making Up — Prices —		Lowest this Week	Quotation
	July 7	July 24	July 30	July 30
<i>Copper :</i>				
Amalgamated	72½	66*	55	55
Rio Tinto (£5)	69½	61	50	52½
<i>Broken Hills :</i>				
Proprietary (8/-)	36/0	33/6	29/7½	29/7½
South	9	8½	7½	7½
<i>Russian :</i>				
Kyshtim	2½	2½	2	2
Russo-Asiatic	8	7½	4½	4½
Tanalyk	4	3½	2½	2½
<i>Miscellaneours :</i>				
Mexico of El Oro	4½	4½	4½	4½
Kirkland Lake Prof.	3½	3½	2½	—
Tough-Oakes	1½	1½	—	—
Mysore	4½	4½	3½	4
* July 27.				

* July 27.

It must be borne in mind that the prices of the majority of Rand dividend-paying shares are still full of the June dividends, which are not payable until the early part of August. Consequently prices are lower even than they appear at first sight to be. Bearing in mind that the mines themselves are not affected intrinsically by the political conditions responsible for the fall in share quotations, it is instructive to note the high yields now afforded on the basis of the rates of dividend recently announced. To exemplify this fact we show below the yields afforded at current prices by eight of the best Rand mines and the shareholding Company, Rand Mines, Limited. Every mine shown, with the exception of the Meyer and Charlton, and, possibly, also the Witwatersrand Gold, has an estimated life exceeding 20 years.

	Rate of Dividend*	Approx. Present Price	Yield† %
City Deep	22½	2½	9
Consol-Langlaagte	20	1½	14
Crown Mines (10s.)	110	5½	11
Meyer and Charlton	70	5	15
New Modderfontein (£4)	30	11½	11
Modder B	50	4	13
Van Ryn Deep... ..	25	2½	13
Witwatersrand Gold	50	3	18
Rand Mines (5s.)	220	5	11½

* Based on the dividend announced for the first half of 1914.

† Yield allowing for the half yearly dividends included in present prices.

SPASSKY COPPER.

THE report of this Siberian mining Company for the fifteen months ended December 31, 1913, does not show the improvement in profit that might have been looked for in view of the larger production and retention of an average high price ruling for the metal. The net profit in Siberia of £229,183 for the fifteen months to end of 1913 is 24 per cent. larger than the profit shown for twelve months ended September 30, 1912, and this increase in profit barely corresponds with the longer period covered. In the latest report important details as to the price realised and the cost of production are not given, though this information appeared in previous reports. Also no appropriation account is now given, so that one can only make one's own calculations of how much of the profit available is absorbed by the dividend declarations and how much is carried forward to the current year.

The copper production of the fifteen months to December 31, 1913, is returned as 6,251 tons, which compares with an output of 3,998 tons of copper for the twelve months to September 30, 1912, so that the output increased by 36 per cent. against the increase in net profit in Siberia of only about 24 per cent. But how much of the 6,251 tons produced were sold for £481,241 is not disclosed, though there is the fact that stocks on hand at Spassky properties figure in the December 1913 balance sheet for £112,018, against £200,603 in the previous accounts. The price of Standard copper in London during the fifteen months to December 31, 1913, averaged £69 18s., in comparison with £68 6s. average of the previous twelve months. Consequently, it does not seem probable the

average prices realised for the sales effected in the respective periods differed to any great extent.

A comparison of the ore raised and its copper value, the quantity of sulphide ore smelted and the output and yield of copper, as well as the net profit in Siberia in the last four financial periods is shown below:—

Year to Sept. 30	Ore Raised Tons	Approx. Copper Value %	Ore Smelted Tons	Copper Value	Copper Output—		Net Profit in Siberia £
					Tons	Yield Per ton Smelted	
1910	19,647	15 to 18	12,581	19.2	2,384	18.9	50,756
1911	31,302	15	20,258	14.7	2,858	14.1	99,002
1912	28,315	20	23,759	18.5	3,598	16.9	173,298
15 mos. to Dec. 31, 1913	43,591	22	33,665	—	6,251	17.9	229,183

The Company, as with Tinto and Russian copper producers, does not supply the detail of a working revenue and expenditure account. In the past it used to give figures as to costs, but this information is lacking in the last issued report. The net profit in Siberia as shown above is principally derived from the copper produced from ore from the Yuspenssky mine. Coal is obtained from the Company's own coal mine and transported to the smelters.

After adding sundry receipts to the Siberian net profit of £229,184 for the fifteen months to end of 1913, and deducting office and general charges, the balance of £226,318 added to the amount brought forward from the previous year, makes the total available £253,260. Of such amount £15,616 is absorbed in directors' percentage, manager's commission, and bonus to staff. The first interim dividend of 2s. per share on the then capital of £595,330 absorbed £59,533. A second interim dividend of 3s. and a final dividend of 1d. per share just announced "to meet technical legal requirements," had and have to be paid on the much larger present capital of £978,703. These dividends work out at 25½ per cent. for the fifteen months, against 25 per cent. for the previous twelve months. We make the amount required for the combined dividends of the fifteen months to end 1913 to be about £210,500, so that about £27,000 remained at end of 1913 to be carried forward. There is, however, a new item of £26,900 0s. 2d. "Depreciation Fund" in the balance sheet that calls for explanation.

The manner in which profits have been allocated in past years will be seen from the following:—

	Year ended Sept. 30—1913	1912	1911	1910
	Tons	Tons	Tons	Tons
Copper output	6,251	3,998	2,858	2,384
	£	£	£	£
Siberian profit	229,184	173,298	99,002	90,756
Sundry receipts	10,853	7,664	3,122	502
	240,037	180,962	102,124	91,258
Office and general expenses	13,719*	5,604	5,182	4,611
Debt and loan interest	—	562	9,031	14,562
Reserve fund	—	—	—	3,676
Total charges	13,719	6,166	14,213	22,849
Credit balance	226,318	174,996	87,911	68,409
Brought forward	26,942	13,039	14,693	9,333
Total credit balance	253,260	187,335	102,604	77,742
Directors' percentage, manager's commission, and staff bonus	15,616	12,061	6,065	4,720
Available balance	237,644	175,774	96,538	73,022
Dividends paid	210,500(a)	148,832	86,100	58,329
	(25½ %)	(25 %)	(17½ %)	(15 %)
Carry forward	27,144	26,942	10,633	14,693
Issued capital	918,703	595,330	584,686	400,096
Debt and loan issue	Nil	Nil	35,050	242,450

* Including stamp duty on increase of capital and new issue expenses.

(a) Approximate amount.

The increase of the capital during 1913 to £978,703, as shown above, was for the purpose of acquiring 300,000 £1 shares in the Atbasar Copper Fields, Limited, in order to obtain complete ownership of the latter's property, &c., and to provide equipment and development outlays. This increased capital explains why in face of the larger profit the dividend for the 15 months to end 1913 was practically the same as for the previous twelve months.

It will probably not be until the end of 1915 at the earliest that the Atbasar Mine will reach the profit-earning stage, and in the meantime the profit from the production of the Spassky Company's Yuspensky mine will be the main source of dividend on the larger capital. The Atbasar property, however, is a very extensive one, and ore reserves that have been developed there are reported to aggregate over 500,000 tons with an average of 10.25 per cent. copper contents. The ore reserves of the Yuspensky mine are estimated to amount to 50,000 tons of first-class ore with average copper contents of "20 per cent. or better," and 358,000 tons of second-class ore averaging about 7½ per cent. copper contents. The first-class ore reserves in sight represent about 2 years' supply for the smelters, and in addition the lowest level at 560 feet depth is opening up a further supply of rich ore. As regards financial condition, the new issues of capital have put the Company in a strong position.

The present price of 1½ for the £1 shares compares with the highest touched this year of 3½ and last year of 4½, but the fall that has occurred recently in the price of copper and the uncertainty as to what rate of profit the Atbasar properties, which are rather far-distant from railway transport facilities, will eventually yield as a set-off against the larger capital, have to be taken into consideration.

Yr. to Sept. 30	Copper Contents of Ore Raised	Copper Output Ton	Realised Value Per Ton (approx.)	•Average London Price of Standard Copper	Working Costs, Taxes, &c. Per Ton (approx.)	Net Profit in Siberia Per Ton (approx.)
1910...	15 to 18	2,384	188,245	78½	57½	37½
1911...	14½	2,858	219,787	78½	59½	37½
1912...	20	3,998	368,285	91½	73½	28½
15 Mos. to Dec. 31 1913...	22	6,251	481,241(a)	—	63½	—

* Average of calendar year.

(a) Value of copper sold if applied to 6,251 tons produced would only equal a price of about £77. The quantity unsold is not stated or estimated for.

PRESTEA BLOCK A.

THE Prestea, like so many other West African mining undertakings, has so far been a great disappointment. The high expectations formed of the mine's profit-earning capacity were based on the fact that development had proved a long and continuous stretch of reef of very satisfactory assay value and considerable width at every level, and because ore reserves at one time were blocked out to the extent of 975,000 tons, of an average assay value of over 40s. per ton. Indeed, so persistent were the values and widths laterally and in depth that the mine was looked upon as one of the finest quartz propositions in the world. But later events have proved that, unnoticed, or at least insufficiently regarded even by the experts, a fly was in the ointment. The gold-bearing reef found in the property is "encased in a friable black carbonaceous shale," and this, it has been found, necessitates the almost immediate sand-filling of worked-out stopes and the costly method of supporting the drives by steel sets. But more serious still is the fact that the presence of this shale prevents a satisfactory extraction of gold in the cyanide plant. In 1912 the total extraction obtained by the whole mill and accessories was only 85 per cent., while for 1913 the recovery fell further to but 81.1 per cent. Therefore it is that though the annual report just issued for 1913 shows considerable improvement in earnings consequent on much larger tonnage crushed and reduced working costs per ton, the results cannot be considered up to expectations, or commensurate with the vast amount of money spent on plant and underground equipment. The mill in 1913 dealt with 229,990 tons, against 172,319 tons in the previous year; but, owing to the reduced extraction, the yield per ton was only 33s. 8d. in 1913, against 34s. 5d. in 1912. On the other hand, working costs were satisfactorily reduced from

28s. 10d. in 1912 to 25s. 7d. in 1913, and the resultant working profit for the past year was £91,705, or 8s. 1d. per ton, against £47,252, or 5s. 7d. per ton in 1912. A contrast of operating results since commencement of operations with the new mill, from May 1911 to June 30 this year is given below:—

	Ore Milled Tons	Total Extraction Yield Per Ton	Working Costs Per Ton	Working Profit £	Working Profit Per Ton
7 mos. 1911 ...	93,483	84.8	31/3	28,419	6.1
12 mos. 1912 ...	172,319	85.1	34/5	47,252	5.7
" 1013 ...	229,990	81.1	37/8	91,705	8.1
1914					
6 mos. to June 30	122,070	—	32/2	39,168	6.5

In regard to the very poor results shown for the first half of the current year, it will be seen that the continued fall in the gold yield per ton is mainly responsible. This may be due either to further reduction in the extraction, or to the fact that as the ore treated in 1913 was, according to the Consulting Engineer's December 1913 report "somewhat higher grade than the total average of the mine," the requisite adjustment has been made. But whatever be the explanation the result is unsatisfactory.

Turning again to the 1913 report, after paying out of the operating profit of £91,705, £8,884 for interest on loan, and allowing £45,580 for depreciation, against £24,091 in 1912, the balance profit of £38,341 is carried forward, as shown in the following comparison of the earnings and allocations of the past three years:—

	1913 £	1912 £	1911 £
Gross receipts ...	387,041	296,579	160,557
Brought forward ...	—	(dr.) 11,254	(dr.) 16,965
Total ...	387,041	282,325	143,601
Allocation:—			
Underground costs ...	138,850	108,058	58,028
Reduction costs ...	79,014	67,833	44,081
Development ...	45,998	34,464	14,805
General expenses (Mine) ...	20,154	35,146	15,014
London expenses ...	4,223	3,826	2,714
Interest ...	8,884	8,907	1,930
Depreciation written off ...	45,580	24,091	21,253
Carried forward ...	38,341	—	(dr.) 11,254
	387,041	282,325	143,601
Surplus liquidated assets* ...	37,350	19,900	24,473
Amount of loan† ...	127,149	152,625	100,673
Issued capital ...	1,019,876	1,019,876	1,049,876

* Irrespective of loan.

† Including interest.

The general expenses in West Africa, though showing satisfactory reduction, strike one as being still rather high. By heavily writing off for depreciation and carrying forward the large balance, the Company's weak financial condition has been considerably strengthened. At the end of 1913 the Company's loan plus interest stood at £127,149, but against this surplus cash resources amounted to £37,350; and in the six months to June 30, 1914, a further profit of £39,168 has been earned. Consequently the Company has so far this year had £76,500 available for repayment of debt and further expenditure on plant, &c. The loan has now been reduced to £100,000, so that working profit of £39,168 for the first six months of 1914 is intact, and in addition about £10,000 from 1913 is available for capital expenditure. In this connection it may be recalled that in the Consulting Engineer's December 1913 report the capital expenditure yet to be incurred was estimated at £15,000, excluding an estimate—amount not stated—for slimes plant. The loan item

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will be further reduced out of profits this year, and early next year shareholders should be within measurable distance of the receipt of the long expected dividend. On this point the directors' report states that an agreement has been come to whereby the loan is to be reduced to £50,000 on or before December 31, 1915, and the balance to be repaid at the rate of £2,500 per month. In consideration of this arrangement the lenders have been granted a call at par on 50,000 reserve shares until December 31, 1915, and on 50,000 shares at par until December 31, 1916. We look upon this as an adverse feature, as the issued capital of the Company, in the event of the options being exercised, will be increased to £1,149,876. As it is, the present issued capital of £1,049,876 is none too small, it having been increased in 1911 from £850,000 on account of the purchase of the Prestea Mines property. This acquisition appears now to have been a mistake, for the Prestea "A's" original property is itself large and contains the best values, so that the capital was increased by £200,000 for the purpose of acquiring a property that could well have been dispensed with. It may be said that if the options on the reserve shares are exercised the Company would be provided with £100,000 cash. But we fail to see why the Company should require this money *after* it has repaid its loan. The funds, apparently, could not be used for increasing the output, for, according to the Consulting Engineer—

Taking everything into consideration, the maximum economical rate at which the mine should be worked is about 25,000 tons per month. Any forcing of either the stopping or reduction operations beyond this point will eventually cost more than the extra profit temporarily gained.

In addition to this fact it has to be borne in mind that quite enough money has already been spent on the property. In the past five years no less than £816,090 has been laid out on shaft sinking, development, buildings, machinery, and plant, and of this as much as £286,410 has been written off in the five years, the largeness of the depreciation presumably being on account of the effect of climate and other factors peculiar to the country and the mine.

Amounts Spent and Written-off, 1909-1913.

	Mine Development	Shafts	Buildings	Machinery and Plant	Total
	£	£	£	£	£
Expended ...	265,547	61,821	92,142 (a)	395,516 (a)	816,026
Written off ...	117,547*	—	41,249†	127,614‡	286,410
Balance (b) ...	148,000	61,821	50,893	268,902	529,616

* Including £37,085 from share premiums.

† Including £9,633 from share premiums.

‡ Including £44,592 from share premiums.

(a) Including cost of acquisitions from Prestea Mines, Ltd

(b) Balance added to balance sheet.

In taking note of the heavy expenditures and writings off shown above, it is necessary to note the Consulting Engineer's recent report that the workshops and reduction works are situated on the western slopes on ground overlying the reef and immediately above the mine, and his statement that—

The result has been that the foundations have not been as stable as might be desired, and expensive renewals have been necessitated.

And, again,

The difficulties which continually have to be met and overcome in running the plant are due to original erection on inadequate foundations, to the distance from which they have to obtain their current supplies, and consequent long delay between the knowledge of their requirements and the time of delivery of material.

The hope of the future lies in the possibility that some process may be found whereby the considerable amount of gold at present locked up in the cyanide residues may be extracted at a profit. In his latest report the Consulting Engineer says a process has been evolved by which the residues have been reduced in laboratory tests considerably below any previous estimates of possibility. If in actual

practice on a large scale as good results are obtained, and the extraction is thereby considerably increased, then the outlook for the Prestea will be much improved. If when crushing at the full capacity of the mill of 300,000 tons per annum, working costs are further reduced and extraction is increased to an extent that will permit of a profit of 10s. per ton, the resultant profit of £150,000 per annum would be sufficient to provide for depreciation and pay 10 per cent. annual dividends. This is greatly below the expectations of a year or two ago, but in view of the disappointments of the past it would be unwise to look for anything better at the present juncture of uncertainty as to extraction.

As regards the mine position, it is an adverse feature that the ore reserves at December 31, 1913, show so considerable a decline in tonnage compared with the previous year's estimate, as is shown in the following table:—

At Dec. 31	Tons.	Value Shillings
1910 ...	678,859	43.9
1911 ...	975,101	41.5
1912 ...	835,014	44.4
1913 ...	691,670	41.3

The quantity of ore now in sight is equal to over two years' supply for the full capacity of the mill; and, as development is now again being pushed forward after having been slackened off in 1913 for various reasons, the ore reserve position should be at least maintained, and may be strengthened; but the increased development will require greater expenditure.

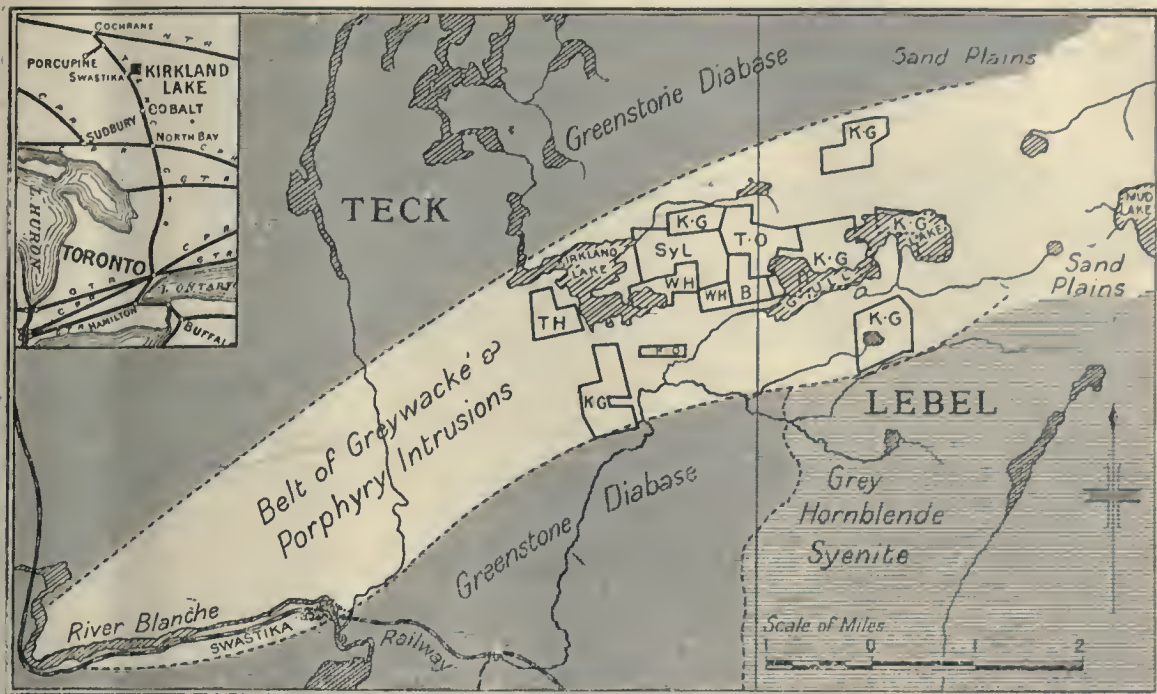
The mine is of very great extent. The drives have opened up continuous stretches of payable reef formation for a length of over 4,000 feet, and as widths are satisfactory each new level brings into sight a very large quantity of ore. Further, the mine at present is still a comparatively shallow one, the lowest level, recently commenced, being the 7th.

The price of the £1 shares is 12s. 6d., and at such a discount they have considerable speculative chances in view of the possibility that a better extraction of gold will be obtained by the new methods now in course of experimental application. But it is doubtful in the light of what is now known whether the Prestea will ever be the really great mine it was originally thought capable of being.

THE KIRKLAND LAKE GOLD REGION.

AFTER the discoveries made in the Kirkland Lake region prospectors pegged out ground and about a year ago the official maps showed a maze of claim areas, in nearly all cases of 40 acres each, taken up by local men and held either by individuals or syndicates. Companies were formed in profusion. Control of some of the Canadian Companies was acquired by English-formed undertakings, and the fire of speculation has been actively fanned. Capitalist groups in this country are just now being offered properties on a wholesale scale. The centre of attraction is the Tough-Oakes Mine, comprising five claims, say 185 acres, situated on the frontier line of the Teck and Lebel townships and immediately N.W. of Gull Lake. In part of the Tough-Oakes area a series of parallel lodes, some portions yielding rich ore, are being developed, and shaft-sinking to below 300 feet has disclosed continuance in depth. However encouraging may be the outlook for this special property the capitalisation at market price of last week was about £625,000, and even at par appears to anticipate prospective possibilities.

The Kirkland Lake gold region is in a belt of greywacke conglomerate with porphyry intrusions. The belt of undulating country containing such formation extends for approximately ten miles in a north-east and south-west strike, and to the north and south of the belt there lies greenstone diabase, with, south-east, a region of hornblende syenite. Virtually



The position of the properties of the Companies in which London parties most interested are shown above and initials used refer to:—

T.O.—Tough-Oakes.
B.—Burnside.

Syl.—Sylvanite.
W.H.—Wright Hargreaves.

K.G.—Kirkland Goldfields.
T.H.—Teck Hughes.

The whole of the belt is in the Teck and Lebel townships. In view of the discoveries being effected, and the tall talk about the new field being likely to prove "the greatest goldfield in the world," and suchlike, it will be of interest to have an approximate idea of the location of the Kirkland region, and we give herewith a key plan showing the general position of the mining areas in Ontario and a plan that gives the approximate position of the properties of companies in the Kirkland Lake region to which attention is being given in London.

As to the rest of the field little is heard about working operations having resulted in good finds in other directions. Some discoveries have been reported in part by trenching and sometimes by bores, but there has scarcely been time for arriving at really definite information in respect of the multitude of areas in so large a field where so far there has been only one appreciable discovery of actual value. There is nothing yet, at all events, to justify the extravagant professions as to the future of the field.

It behoves the British public to be very careful in responding to invitations to purchase new shares which may be introduced on the market sans prospectus. English companies are formed to acquire areas held by Canadian companies whose shares have sometimes been obtained by the English-formed companies at very low prices, and the English shares disposed of to the British public at very high prices. The public has to be on its guard against being tempted to buy shares that may be offered on a capital basis, and where what is offered only represents a mere prospect or possibly an agglomeration of various areas not even tested in any way.

For several months past we have dealt very fully with some of the enterprises which have associated themselves with the Kirkland region, and do not now recapitulate the features that we have already called attention to. It will be useful to have a schedule of some enterprises that have been registered, and in which more or less direct efforts have been made to interest the British public.

Canadian Registrations.

		Authorised Capital
April 8, 1913, Teck-Hughes Gold Mines	...	\$2,000,000
June 13, 1913, Sylvanite Gold Mines	...	\$2,000,000
July 24, 1913, Burnside Gold Mines	...	\$3,000,000
Sept. 2, 1913, Gull Lake Gold Mines	...	\$1,500,000

London Registrations.

Aug. 1, 1912, Union and Rhodesian Trust	...	£100,000
Nov. 27, 1913, Kirkland Lake Proprietary	...	200,000
Jan. 17, 1914, Tough-Oakes Gold Mines	...	500,000
Feb. 13, 1914, Teck-Hughes Gold Mines	...	100
Feb. 13, 1914, Sylvanite Gold Mines	...	100
March 2, 1914, Burnside Gold Mines	...	400,000
See STATIST Dec. 13, 1913, Jan. 24, 31, Feb. 28, March 14, 28.		
Jan. 24, 1914, Kirkland Lake Exploration	...	150,000
See STATIST Jan. 31.		
March 5, 1914, Kirkland Goldfields	...	50,000
3 London Wall Buildings.		
March 20, 1914, Teck-Lebel (Kirkland) Syndicate	...	44,000
See STATIST May 18, 23, and June 27.		
Jan. 13, 1914, Sudbury Syndicate...	...	50,000
See STATIST May 9.		
June 1914, Kirkland Prospecting Syndicate	...	16,500
July 1914, North-East Kirkland Mining and Development	...	150,000
62 New Broad Street.		



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TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

[An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, July 29, 1914.]

Issue Department.

Notes Issued.....	£55,121,405	Government Debt.....	£11,015,100
		Other Securities.....	7,434,800
		Gold Coin and Bullion.....	36,871,405
	£55,121,405		£55,121,405

Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ..	£11,005,126
Reserve.....	3,491,756	Other Securities	47,307,530
Public Deposits.....	12,713,217	Notes	25,415,055
Other Deposits.....	54,418,908	Gold and Silver Coin	1,460,139
Seven-day and other Bills	10,869		
	£85,187,850		£85,187,850

Comparison with Four Previous Weeks.

[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.		Securities.		Re-serves.	Bank Rate. %	3 Mths' Bills. %
			Public.	Other.	Govt.	Other.			
July 1	29.8	40.1	17.1	54.5	11.0	49.7	28.7	3*	2
— 8	29.5	39.6	12.8	43.8	11.0	34.8	28.5	—	2
— 15	29.3	40.0	13.3	42.5	11.0	33.8	29.2	—	2½
— 22	29.3	40.2	13.7	42.2	11.0	33.6	29.3	—	2½
— 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	4†	4†

* January 29, 1914.

† July 30, 1914.

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.		Arrivals.		Withdrawals.	
		£		£	
July 23, Thursday ...		8,000 bars.		130,000 India.*	
— 24, Friday ...		108,000 bars.		150,000 India.*	
— 25, Saturday ...		8,000 bars.		Nil.	
— 27, Monday ...		18,000 bars.			
		75,000 Argentina.		50,000 Belgium.	
		102,000 U. S. coin.			
		126,000 Montevideo.			
— 28, Tuesday ...		Nil.		15,000 French coin.	
				7,000 France.	
				465,000 Egypt.	
— 29, Wednesday ...		250,000 bars.		380,000 France.	
				275,000 Continent.	
				41,000 Belgium.	
Total for week ...		893,000		1,513,000	
Net aggregate ...		[820,000 efflux for week.]			
July 30, Thursday...		73,000 bars.		971,000 France.	
		174,000 Brazil.		100,000 Egypt.	
				150,000 Gibraltar.	
				60,000 Switzerland.	

* Set aside.

Gold.—From Messrs. PIXLEY & ABELL'S Circular, July 30, 1914

£1,000,000 in gold arrived this week, of which India and the trade took £200,000. The balance was bought for Paris, but upwards of £300,000 has since been repaid and sent into the Bank of England. Owing to the political situation in Europe, there has been a large demand from the Continent for sovereigns, and since our last £1,833,000 has been taken for Paris, £565,000 for Egypt, £150,000 for Gibraltar, £60,000 for Switzerland, and £91,000 for Belgium; while £150,000 has been withdrawn in French gold coin and £150,000 has been set aside for the Indian Gold Standard Reserve.

Comparison of Bank Returns, Exchanges, Prices, &c

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation	£29.4	£30.2	£30.1	£29.8	£29.7
Public Deposits	8.4	8.0	18.0	10.9	12.7
Private Deposits	42.5	44.1	41.8	40.8	51.4
Government Securities	15.7	15.0	13.9	12.7	11.0
Other Securities	29.2	25.7	34.8	29.1	47.3
Reserve	24.1	28.4	21.1	27.9	26.9
Ratio to Liabilities	47½%	54½%	48 68%	53 84%	40 03%
Bullion (both Departments).....	34.7	40.2	40.7	38.3	32.1
Money:					
Bank of England Rate	3%	3%	3%	4½%	4%
Bank of France Rate	3%	3%	3%	4%	4½%
Rate 3 months' Bills London ...	2½%	2½-½%	3%	4%	5%
Exchanges:					
Paris Cheque	25 25½	25 25	25 24½	25 25	24 90
Hamburg 8 days	20 45½	20 45	20 45½	20 43½	20 62
New York 60 days	4 85½	4 84-10	4 84-60	4 83-23	nom.
Bombay Telegraphic Transfers	1/4	1/4	1/4	1/3½	1/3½
Prices:					
Consols 2½ % Cash	87.5	78	74½	73½	69½
French Rente 3 % Money.....	97 60	94 52	92 20	84 9½	77 25
Silver, London spot	-128½	-124½	-127½	-127½	-128½
Wheat, <i>Gazette</i> average.....qr.	27/7	32½	38 9	35 10	34 0
Oatmeal, Mid. Upland	-16-08	-16-67	-17-42	-16-63	-16-91
Iron, Scotch pig.....ton	nom.	52/9	64-10½	64 0	57 3

1904: Money was in strong demand at 3 to 3½ %, and a large amount had to be borrowed from the Bank of England at 3½ %. With Bankers more disposed to buy bills the rate for 3 months' drafts was 2½ %. Stock markets were weak on the trend of events in the Far East.

1911: The Bank of England steadily gained strength. Discount rates were harder, 3 months' bills rising to 2½-2¾ %. Arrangements made for reorganising the Yorkshire Penny Bank. News concerning this Bank at first caused a heavy feeling on Stock Exchange, but subsequently on action of joint stock bankers the tone somewhat improved, being aided by statement of Mr. Asquith concerning International political situation.

1912: There was the usual end of July demand for money, and in addition heavy calls on new issues had to be paid up. Discounts were somewhat easier, 3 months' bills being 3-3½ %. Stock markets were firmer. Announcement of reduced Home Railway dividends owing to Coal Strike.

1913: The Bank's stock of gold was increased on balance by £1,352,000, and a somewhat more plentiful supply of money was available. Discounts were practically unchanged, 3 months' bills being quoted 4 %. A distinct improvement in the tone of Stock markets was accompanied by greater disposition to purchase fixed interest-bearing securities.

ARGENTINA—Gold in Caja de Conversación (at 4s. per peso).		BRAZIL—Gold in Caixa de Conversação (at 16d. per milreis).	
1914—June 4	£44,013,343	1914—June 2 (lowest) ...	£11,812,413
— 11	43,311,319	— 12	12,066,944
— 18	43,138,118	— 20	12,432,937
— 25	42,890,991	— 27	12,422,520
— 30	42,600,000	July 7	12,099,019
July 8	42,029,000	1913—Dec. 31	20,721,521
— 13	40,457,200	Feb. 12 (maximum) ..	26,772,300

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY.	Cash.		Ad- vances.	Amount.	Note Circulation.	
	Gold.	Silver.			Amount.	Above or beneath legal max.
July 7, '14 ...	£2,119	£2,047	£4,168	£3,10	£94,054	— 2,389
July 15, '14 ...	£1,966	£2,066	£4,132	£7,934	£90,517	+ 1,016
July 23, '14 ...	£1,678	£2,141	£6,719	£7,772	£88,740	+ 2,479
July 23, '13 ...	£0,579	£10,794	£1,373	£3,305	£90,527	— 1,655
July 23, '12 ...	£1,631	£2,272	£6,903	£5,062	£87,878	+ 3,024

BELGIUM.	Cash.		Total.	Discounts.	Circulation.	Deposits.
	Gold.	Silver.				
July 9, 1914...	£10,415	£2,864	£13,279	£25,821	£39,518	£2
July 16, 1914...	10,461	2,821	13,282	28,843	39,452	3
July 23, 1914...	10,465	2,763	13,228	28,155	39,056	3
July 24, 1913...	9,183	2,772	11,955	27,583	39,282	3
July 25, 1912...	7,629	2,492	10,121	27,327	37,230	4

DENMARK.	Cash.		Balance Abroad.	Securities.	Circulation.	Deposits.
	Coin and Bullion.	Discounts.				
Apr. 30, 1914 ...	£4,417	£4,888	£1,266	£602	£8,502	£1
May 30, 1914 ...	4,557	4,915	1,339	602	8,737	1
June 30, 1914 ...	4,565	5,309	1,102	602	8,879	1
June 30, 1913 ...	4,350	5,163	1,180	627	8,638	1
June 29, 1912 ...	4,400	5,046	757	551	8,209	1

FRANCE.	Cash.		Total.	Bills.	Circulation.	Public Deposits.	Deposits.
	Gold.	Silver.					
July 16, 1914...	£183,707	£26,407	£190,114	£64,832	£241,787	£11,696	£3
July 23, 1914...	184,178	25,584	189,760	61,843	236,476	18,024	3
July 30, 1914...	165,654	25,013	190,667	97,768	287,327	15,302	3
July 31, 1913...	134,489	25,095	159,584	73,616	227,073	15,523	2
Aug. 1, 1912...	131,467	32,071	163,538	51,649	209,587	11,632	2

GERMANY.	Cash.		Total.	Loans & Dis- counts.	Amount.	Note Circulation.	
	Gold.	Silver.				Amount.	Above or beneath legal max.
July 7, '14...	£85,555	£15,737	£81,292	£51,804	£109,815	+ £2,888	£41
July 15, '14...	67,204	16,238	83,442	43,368	99,728	+ 15,822	44
July 23, '14...	67,843	16,727	84,570	40,055	84,545	+ 22,804	47
July 23, '13...	57,835	14,852	72,687	51,965	91,300	+ 12,429	35
July 23, '12...	48,954	17,514	66,468	58,889	53,869	+ 16,261	37

HOLLAND.	Cash.		Total.	Dis- counts.	Ad- vances.	Circulation.	Deposits.
	Gold.	Silver.					
July 11, 1914 ...	£13,344	£654	£13,998	£7,970	£5,463	£26,751	£2
July 18, 1914 ...	13,428	681	14,087	7,650	5,107	28,075	2
July 25, 1914 ...	13,509	686	14,195	7,345	5,140	25,870	2
July 26, 1913 ...	12,273	694	12,957	6,879	5,547	25,704	2
July 27, 1912 ...	12,018	975	12,993	6,689	6,162	24,139	2

ITALY.	Cash.		Total.	Ad- vances.	Securities.	Circulation.	Deposits.
	Inland Bills.	Foreign Bills.					
June 10, '14 ...	£48,787	£18,091	£3,291	£3,057	£8,289	£61,682	£8
June 20, '14 ...	48,600	16,993	3,303	3,425	8,327	62,876	8
June 30, '14 ...	48,283	18,967	3,346	4,027	8,153	67,320	7
June 30, '13 ...	49,838	18,626	2,837	4,111	6,222	65,029	7
June 30, '12 ...	48,137	19,524	2,804	5,755	6,662	64,818	7

N. YORK BANKS.	Loans and Discounts.		Reserve.		Legal Net Deposits.	Circulation.	Savings.
	Specie.	L. Tend.	Specie.	L. Tend.			
July 11, '14...	£291,854	£62,592	£13,270	£75,862	£299,870	£8,314	£1
July 18, '14...	286,310	61,966	14,700	76,856	284,234	8,360	3
July 25, '14...	286,156	63,808	14,892	78,700	255,734	8,348	4
July 26, '13...	272,622	57,952	15,764	73,718	275,276	9,336	4
July 27, '12...	277,796	58,314	16,398	74,712	285,238	9,148	3

N. YORK TRUST COS.	Loans and Discounts.		Reserve.		Legal Net Deposits.	Circulation.	Savings.
	Specie.	L. Tend.	Specie.	L. Tend.			
July 3, '14 ...	£127,915	£13,163	£1,587	£16,180	£30,935	£96,544	£1
July 11, '14 ...	128,199	13,518	1,373	13,546	28,437	97,328	1
July 18, '14 ...	127,702	13,149	1,311	12,987	27,427	96,057	1
July 19, '13 ...	113,069	11,241	1,305	13,293	25,839	83,028	1
July 20, '12 ...	131,834	13,458	1,400	13,468	28,366	97,749	1

NORWAY.	Gold.	Balance Abroad.	Fr'gn Gov. Securities.	Discounts & Loans.	Circulation	Deposits
July 7, 1914...	£3,016	£1,617	£503	£4,803	£6,822	£1
July 15, 1914...	2,916	1,811	495	4,552	6,777	
July 22, 1914...	2,892	1,812	496	4,387	6,658	
July 23, 1913...	2,555	1,646	503	4,119	5,959	
July 22, 1912...	2,188	1,137	518	3,831	5,274	

SWITZERLAND.	Cash.			Discounts & Advances.	Circulation.	Deposits.
	Gold.	Silver.	Total.			
July 7, 1914...	£7,054	£883	£7,717	£5,111	£11,033	£1,849
July 15, 1914...	7,070	720	7,790	4,991	10,959	1,857
July 23, 1914...	7,202	753	7,955	4,817	10,718	2,038
July 21, 1913...	6,767	1,253	8,020	4,811	10,431	2,105
July 23, 1912...	6,731	554	7,285	5,057	10,433	1,700

II.—FOREIGN RATES OF DISCOUNT

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
July 30, 1914	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2
July 31, 1913	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2
July 30, '14	Feb. 5, '14	July 29, '14	July 30, '14	July 27, '14	July 27, '14
Oct. 31, '13	Nov. 14, '12	June 25, '13	Oct. 16, '12	Nov. 15, '12	

Comparison of Market Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
July 31, '14	21-21 1/2	24 1/2	2 1/2	2 1/2	3 1/2-1 1/2
July 16, '14	21-21 1/2	24 1/2	2 1/2	2 1/2	3 1/2
July 23, '14	21-21 1/2	24 1/2	2 1/2	2 1/2	3 1/2
July 30, '14	31	4	5	6	Closed
July 31, '13	31	4 1/2	6	2 1/2	4 1/2

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—	July 30, '14	July 23, '14	July 16, '14	July 30, '13
Amsterdam	Cheques	124.34	124.24	121.31
Antwerp	3 months	251.55	251.52	251.72
Berlin	do.	20m. 67pt.	20m. 65 1/2	20m. 74pt.
Brussels	do.	251.65	251.58 1/2	251.28 1/2
Hamburg	do.	20m. 67pt.	20m. 65 1/2	20m. 75pt.
London	do.	45 1/2	45 1/2	44 1/2
Madrid	do.	45 1/2	45 1/2	43 1/2
Paris	Cheques	241.92 1/2	251.1 1/2	251.25 1/2
St. Petersburg	3 months	251.28 1/2	251.28 1/2	251.63 1/2
Vienna	do.	24 1/2	24 1/2	24 1/2

Foreign Rates of Exchange on London, &c.

	July 29, '14	July 23, '14	July 16, '14	July 30, '13
Alexandria	Sight	97 1/2	97 1/2	97 1/2
Amsterdam	Sight	124.15 1/2	124.14	121.14 1/2
Berlin	Sight	20m. 52 1/2	20m. 52 1/2	20m. 47 1/2
Brussels	Cheques	251.12 1/2	251.23 1/2	251.39 1/2
Calcutta	90 days	48 1/2	47 1/2	48 1/2
Constantinople	Telegraph	101.05	101.05	101.05
Hankow	Bank 3m.	20m. 60pt.	20m. 48pt.	20m. 46 1/2
Hong Kong	8 days	101.05	101.05	101.05
India	Transfers	101.05	101.05	101.05
Japan	Sight	251.33 1/2	251.33 1/2	251.92 1/2
Manila	Transfers	251.33 1/2	251.33 1/2	251.92 1/2
Medan	Sight	251.33 1/2	251.33 1/2	251.92 1/2
Shanghai	Gold prem	3 1/2	3 1/2	3 1/2
Singapore	Sight	17 1/2	17 1/2	17 1/2
Soerabaya	Sight	17 1/2	17 1/2	17 1/2
Yokohama	Sight	17 1/2	17 1/2	17 1/2
London	60 days	84 93.45 1/2	84 88.10 1/2	84 87.10 1/2
Paris	Cables	84 88.50 1/2	84 88.50 1/2	84 87.10 1/2
San Francisco	Cheques	251.12 1/2	251.12 1/2	251.24 1/2
St. Petersburg	90 days	15 1/2	15 1/2	15 1/2
Switzerland	3 months	95 1/2	95 1/2	94 1/2
Yokohama	Transfers	251.33 1/2	251.33 1/2	251.92 1/2
Vienna	Short	24 1/2	24 1/2	24 1/2
Bar Gold, standard, per oz.		77 1/2	77 1/2	77 1/2
Bar Silver (925) do.		76 1/2	76 1/2	76 1/2
Mexican Dollars		27 1/2	27 1/2	27 1/2

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Ino. or Dec.*	1914 Agg.	Ino. or Dec.*
BIRMINGHAM	July 25	1,332,254	+ 271,977	47,079,374	+ 2,590,901
Bristol	" 25	681,000	+ 49,000	21,775,000	+ 1,147,000
DUBLIN	" 25	3,058,200	+ 57,107	99,720,300	+ 2,551,000
LIVERPOOL	" 25	422,911	+ 131,519	15,435,137	+ 881,813
MANCHESTER	" 25	247,974	+ 15,096	9,328,392	+ 452,572
NEWCASTLE	" 25	4,165,183	+ 231,683	143,533,347	+ 5,581,955
NOTTINGHAM	" 25	5,737,794	+ 412,226	207,561,425	+ 3,793,849
Sheffield	" 25	964,000	+ 151,000	35,436,859	+ 601,991
TOTAL	" 25	29,102,717	+ 3,803	114,933,333	+ 864,334
WELT. AVER.	1914	332,717	+ 16,702	16,635,151	+ 241,731

* Following day's rates.

V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—

HOMEWARDS.	1914.	1913.	HOMEWARDS—continued.	1914.	1913.
Alexandria to London Hall	17/0	31/0	U.S. Atl. Ports to L.H.B.	30/9	50/0
Amoy to L.H.A.R. or Oont.	8/8	12/0	U.S. to U.K. Oont. (grain)	2/6	2/9
Bombay to p.p.	d.w. 14/8	20/8	N.O. to U.K. Oont. (oil & sugar)	9/6	18/0
Batavia to p.p.	27/8		OUTWARDS.—Oant to		
Calcutta to p.p.	d.w. 17/3	12/2	Bom. Oont. Port River St. Vin.		
Damascus to A.R.	7/3	11/0	Year. bay. oomb. Said. Plate. oomb.		
Odessa to L.H.A.R.	12/3	23/0	1914	10/6	7/0
R. Plate to U.K. Oont.	12/3	23/0	1913	12/9	8/9

* Compared with a year ago.

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	AUGUST 1, 1914.	1913.	1912.
METALS.			
Iron—Scottish pig warrant	67 1/2	64 1/2	64 1/2
—Middlebro' warrants	61 1/2	64 1/2	64 1/2
—Hematite warrants	61 1/2	64 1/2	64 1/2
—Staffordshire bars, London	28 1/2	29 1/2	29 1/2
—Common bars	28 1/2	29 1/2	29 1/2
—Stock, Scotch, July 31	1,000	1,000	1,000
—Middlebro' tons	82.038	191.304	237.439
—W. O. hematite tons	Nil	21.978	35.870
Steel Rails	25 1/2	28 1/2	28 1/2
Copper—Standard	257 2/8	285 1/8	278 8/9
—Stock, Europe and Africa	28.670	28.142	41.593
Tin—English Ingots	1138 10	1185	1209
—Straits	1135	1185	1204
—Tinplates—Charcoal I.O.	12 0-12 1/4	13 1/4	15 1/4
Lead—Soft Foreign	218 1/2	221	218 1/2
Spelter—Ord. Foreign	221 10/0	220 12/6	228 2/8
—Silesian Ordinary	221 7/8	220 12/6	225 1/8
Quicksilver—(76 lb.)	28 1/2	27 1/2	28 1/2
Aluminum	282-284	283-289	278-278
Antimony—Regulus	223 10-231 10/0	227 10	227 10
Coal—Best London	90 0	21/6	20/0
—Steam (best) Newcastle	15/6	15/6	14/8
CHEMICALS, OILS, &c.			
Nitrate of Soda—Chemical owt.	10/4 1/2	11/0	11/3
Soda—Crystals ex ship	22 2/8-22 5	22 2/8-22 5	22 2/8-22 5
—Naves—Oomb, Tenerife Silver	1/10-2/0	1/10-2/4	1/8-2/3
Indigo—General good to fine	3/2-3/8	3/0-3/8	3/2-3/8
—Stock, Java 30	619	1,593	1,978
Linseed Oil—Amst.	225 12/8	225 1/2	235 1/0
—Linseed—Ang. Sept.	410 1/2	490 0	82 0
Olive Oil—Spanish	249-250	247-249	243-250
Palm Oil—Lagos	231 10	238	233
Petroleum—American	7/11	7/8	7/8
Rape Oil—Refined English	232	231 5	234
Tallow—Brit. Town	31/3	35/9	32/8
—Stock, Java 30	11,431	14,547	11,719
Turpentine—Amer. Sprit	33/10 1/2	28 1/2	33/3
Rubber Seed—Ownepr. brown 416lb.	60/0	43/0	62/0
Rubber—Para. spot	2/10 1/2	3/8 1/2	4/10
—Wine plantation	2/1 1/2	2/8 1/2	4/10 1/2
—World's Stock, Java	12,863	9,757	7,179
TEXTILES.			
Cotton—Mid. Upland	6/8 1/2	6/8 1/2	7/4 1/2
—Egyptian good fair	6/8 1/2	6/8 1/2	7/4 1/2
—Perambuco, fair	6/8 1/2	6/8 1/2	7/4 1/2
—Mid. Upl. N. York	6/8 1/2	6/8 1/2	7/4 1/2
—Stock, Liverpool, July 24	863,380	793,030	843,820
Flax—St. Petersburg Yarnopol	238	232	237
Hemp—New Zealand	228	231	224 1/2
—Manila, fair	225 10	222	222
Jute—First Marks	232	229 1/2	222
—Red 800	223 10	228 1/2	219 10
Silk—K. P. Philonnewhd. av. lb.	11/8-11/9	10/8-10/9	10/8-10/9
Wool—Pr. Philonnewhd. av. lb.	11/1-1/0	11/1-1/0	11/1-1/0
FOODSTUFFS, &c.			
Wheat—Vladiv. U.S. July 27 bar.	24,289,000	34,511,000	20,378,000
—Red, price, N. Y. 60lb.	93 1/2	95 1/2	110 1/2
—Gallies, aver. price	480 1/2	33 1/2	39 1/2
Flour—London, White ex Mill 280lb.	31/8	31/0	31/8
Barley—Gaz. aver. price 400lb. qr	24 1/2	24 1/2	30 1/2
Hops—English	28 5-67	25 10-28 10	21 10-21 10
Oats—Gaz. aver. price 312lb. qr	19 9	20 8	23 4
Hay—Best	2,016 1/2	105 0-109 0	105 0-115 0
Maize—N. Y. (New bushel) 56lb.	83 1/2	73 1/2	82 1/2
Rice—Imports since Jan. 1	10,358	7,870	6,149
—Deliveries do.	7,900	10,213	4,870
—Stock	7,853	5,022	3,251
—Price, Baseline	6 10 1/2-7 1/2	7 1/8	11 3/4
Bacon Irish	61 0-74 0	84 0-92 0	77 0
Butter, Danish	123 0-125 0	119 0-121 0	129 0
Cocoa, Tris. mid. to fine red owt.	57 0-59 0	73 0-75 0	73 0-75 0
—Granada, good to fine	53 0-55 0	67 0-69 0	63 0-67 0
Coffee—Imports since Jan. 1 tons	38,183	29,153	22,549
—Home consumption do.	9,417	9,173	10,047
—Exports do.	17,924	10,701	9,311
—Stock	21,303	16,638	14,057
—Price Costa Rica to fine owt.	80 0-93 0	73 0-85 0	84 0-102 0
—Brazil (Santos)	38 0	44 3	61 0
Sugar—Impts. since Jan. 1 tons	454,638	531,471	450,493
—Deliveries do.	445,305	478,441	455,444
—Stock	122,868	109,899	107,571
—Price Java 95% Off Coast owt.	10 3/4	10 5/8	12 9-13 1/4
—Beet, 88 % July	9 5/8	9 0 1/2	12 1/4
—French loaves, Sar's owt.	14 1/2	14 3	17 1/2
Tea—Imports since Jan. 1	123,230,277	117,483,581	114,392,251
—Home consumption do.	155,447,872	143,837,885	141,014,818
—Exports do.	28,581,765	27,093,250	22,131,200
—Stock, Java	73,292,000	77,093,000	73,305,000
—Price, Indian, Fok. Song, good lb.	78 1/2	78 1/2	78 1/2
—Ceylon, Pek. Song, Or. lb.	78 1/2	78 1/2	78 1/2

VII.—TRAMWAY AND OMNIBUS TRAFFIC RECEIPTS.

WELY. AVER.	1914	20,287,270 +	1795,011	---	---	---	+ 05	
WELY. AVER.	1913	19,955,571 +	1,024,039	---	---	---	+ 58	
WELY. AVER.	1912	16,978,393 +	949,927	---	---	---	+ 33	
WELY. AVER.	1911	16,042,370 +	549,718	---	---	---	+ 81	
LONDON—								
TOWN.....	1914.	[000] omitted from the London clearings.						
"	July 29	295,320 +	8,193	6,787,587 +	424,930 +	5.1		
METROPOLITAN	" 29	17,532 +	828	524,655 +	11,738 +	2.3		
COUNTRY	" 29	24,598 +	144	818,050 +	3,753 +	0.4		
TOTAL.....	" 29	337,450 +	9,170	10,139,437 +	443,717 +	4.6		
The following special items are included in the London clearings:—								
STOCK EXCHANGE		CONSOLS		"FOURTH" OF THE				
SETTLING DAYS.		SETTLING DAYS.		MONTH.				
1914.	£	+ or -	1914	£	+ or -	1914	£	+ or -
June 26	84,137 -	4,289	May 6	51,873 -	2,090	May 4	61,850 +	8,182
July 10	91,835 +	16,329	June 2	74,323 +	2,073	June 4	43,555 -	11,107
July 29	102,328 +	15,037	July 1	97,383 +	22,527	July 4	65,373 +	9,450
1914 Agg. 1,323,914 +		55,015	515,593 +		53,093	417,203 +		37,592
* Compared with a year ago.								
V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—								
HOMEWARDS.								
1914.	1913.	Homewards—continued. 1914. 1913.						
Alexandria to Lond. or Hall	---	U.S. Atl. Ports to L.H.B.						
Australia to U.K. or Oont.	17/0 31/0	(cotton) 30/9 52/0						
Assof to L.H.A.R.	8/8 12/0	U.S. to U.K. Oont. (grain) 2/6 2/9						
Bombay to pp.....	d.w.14/6 20/8	N.O. to U.K. Oont.(est.&gr.) 9/6 18/0						
Barmah o.o.	---	OUTWARDS.—Oanilla to						
Calcutta to pp.....	d.w.17/31 w.22/6	Bom. Col. Port River St. Vin.						
Canbda to A.R.	---	Year. bay. omba. Said. Plate. cont						
Odesa to L.H.A.R.	7/3 11/0	1914.... 10/6 7/0 15/0						

VIII.—RAILWAY RECEIPTS.

I. AGGREGATE RECEIPTS, 17 HOME RAILS, 30 WEEKS TO JULY 26.

[In £'s sterling 000's omitted.]	Mileage		Passenger		Freight		Total	
	July 26	+ or -	30 Wks	+ or -	30 Wks	+ or -	30 Wks	+ or -
Caledonian	1,149	—	£1,207	+ 34	£1,710	+ 57	£2,917	+ 23
Glasgow & S.W. ...	471	—	528	+ 10	599	+ 21	1,127	+ 11
Great Central	663	+ 13	729	+ 29	2,039	+ 109	2,768	+ 80
Great Eastern	1,207	—	1,739	+ 10	1,478	+ 3	3,217	+ 3
Great Northern	1,032	—	1,512	+ 10	2,225	+ 17	3,737	+ 7
Gt. S. & W. (Ireland)	1,130	—	421	+ 4	444	+ 23	865	+ 27
Great Western	2,984	+ 18	3,997	+ 82	4,551	+ 19	8,548	+ 111
Lanc. & Yorkshire ...	600	+ 3	1,593	+ 7	1,959	+ 114	3,542	+ 107
London & N.W.	2,034	+ 4	3,959	+ 51	4,984	+ 149	8,943	+ 98
London & S.W.	984	—	1,953	—	961	+ 7	2,914	+ 6
Lon., Brighton & S.O.	487	—	1,424	+ 4	488	+ 2	1,912	+ 7
Midland	1,584	—	2,703	+ 43	5,105	+ 125	7,808	+ 82
North British	1,375	—	1,117	+ 23	1,791	+ 42	2,908	+ 19
North-Eastern	1,753	+ 2	2,138	+ 68	4,081	+ 139	6,219	+ 71
North London	18	—	95	+ 10	139	+ 6	234	+ 18
S.E. & Chatham Rys.	654	—	2,173	+ 2	669	+ 7	2,842	+ 5
Total for 30 weeks '14	18,126	+ 25	27,278	+ 355	33,223	+ 784	60,501	+ 429
Total for 30 weeks '13	17,916	+ 44	26,554	+ 1,614	33,721	+ 3,727	60,276	+ 5,341
30th wk. to July 26, '14	18,126	+ 25	1,289	+ 17	1,057	+ 39	2,346	+ 22
30th wk. to July 27, '13	17,916	+ 44	1,252	+ 44	1,082	+ 19	2,334	+ 25

HOME.	Week to	Miles	+ or -	Gross		Wks		Total	
				Rp.	+ or -	Rp.	+ or -	Rp.	+ or -
Barry	July 26	68	+ 2	£15,980	+ 1,886	30	£482,684	+ 5,923	
Brec. & Mer.	" 26	61	—	2,705	+ 54	30	77,908	+ 34	
Caledonian	" 26	1,149	—	89,300	+ 2,600	30	2,417,800	+ 22,800	
Cambrian	" 26	300	—	11,224	+ 260	30	181,780	+ 4,857	
Central London ..	" 25	7	—	4,417	+ 121	30	148,658	+ 2,486	
City & S. Lond. ...	" 25	7	—	2,425	+ 223	30	80,223	+ 5,124	
Furness	" 28	139	—	11,138	+ 1,328	30	309,023	+ 17,443	
Glasg. & S.W.	" 25	471	—	47,300	+ 1,100	30	1,126,700	+ 10,800	
Gt. Central	" 25	811	+ 1	127,100	+ 800	30	3,316,400	+ 82,000	
Gt. Eastern	" 26	1,207	—	135,400	+ 1,100	30	3,217,200	+ 2,800	
Gt. N. of Scot.	" 25	336	—	14,356	+ 850	30	303,700	+ 7,071	
Gt. Northern	" 25	1,032	—	149,300	+ 2,000	30	3,737,100	+ 6,400	
Gt. N. (Ira.)	" 24	561	—	25,185	+ 300	30	651,905	+ 6,815	
Gt. N. & W. (Ira.) ..	" 24	1,130	—	34,331	+ 311	30	885,332	+ 26,524	
Gt. Western	" 26	2,984	+ 18	331,000	+ 1,000	30	8,548,000	+ 111,000	
Highland	" 26	492	—	15,401	+ 789	30	330,146	+ 11,606	
Hull & Barnsley ...	" 28	90	—	14,843	+ 2,026	30	421,059	+ 44,715	
Lanc. & York.	" 26	600	+ 3	145,100	+ 800	30	3,541,950	+ 106,850	
Land. & N.W.	" 26	2,034	+ 4	347,000	+ 5,000	30	8,943,000	+ 98,000	
Land. & S.W.	" 26	984	—	118,600	+ 200	30	2,914,500	+ 7,200	
Land. Brighton ...	" 25	487	—	81,914	+ 1,204	30	1,911,829	+ 5,498	
Land. Electric	" 25	211	—	12,425	+ 125	30	420,515	+ 1,440	
Mary. & Car.	" 25	42	—	1,951	+ 373	30	58,442	+ 10,558	
Mersey	" 25	4	—	2,149	+ 12	30	66,956	+ 298	
Metropolitan	" 26	82	—	18,468	+ 157	30	496,657	+ 41,935	
Met. District	" 25	25	—	12,583	+ 175	30	393,900	+ 190	
Midland	" 25	1,584	—	293,000	+ 6,000	30	7,808,000	+ 92,000	
Mid. Gt. W. (Ir.) ...	" 24	538	—	13,584	+ 718	30	361,351	+ 8,140	
N. British	" 26	1,375	—	96,700	+ 2,400	30	2,908,600	+ 19,000	
N. Eastern	" 25	1,753	+ 2	242,000	+ 6,000	30	6,219,000	+ 71,000	
N. London	" 26	18	—	7,652	+ 700	30	234,631	+ 16,227	
N. Staffordshire ...	" 26	207	—	20,800	+ 530	30	581,800	+ 17,700	
Port Talbot	" 26	36	—	3,374	+ 44	30	94,063	+ 3,396	
Rhond. & Swan.	" 26	31	—	2,685	+ 16	30	74,721	+ 2,103	
Rhymney	" 26	50	—	7,710	+ 358	30	221,024	+ 8,590	
S.E. & Chatham	" 25	654	—	123,356	+ 841	30	2,842,083	+ 9,182	
Taff Vale	" 26	124	—	20,915	+ 1,712	30	622,818	+ 7,107	

INDIAN.	Week to	Miles	+ or -	Gross		Wks		Total	
				Rp.	+ or -	Rp.	+ or -	Rp.	+ or -
Assam Bengal	June 27	851	+ 46	1,255,500	+ 20,245	13	16,135,083	+ 2,43,941	
Bengal & N.W.	June 27	2,028	—	3,999,580	+ 3,171	13	58,222,958	+ 2,41,833	
Beng. Nagpur	July 4	2,678	+ 107	7,580,000	+ 63,000	14	1,11,75,000	+ 2,29,000	
Bomb. Baroda	July 25	2,827	+ 53	8,580,000	+ 97,000	17	2,09,61,000	+ 1,18,000	
Burma	June 27	1,342	—	4,31,042	+ 53,824	13	59,86,627	+ 5,65,977	
East Indian	July 25	2,720	+ 11	19,02,000	+ 1,16,000	17	3,49,30,000	+ 3,67,000	
Gt. Indian Pen.	July 25	2,965	—	11,82,500	+ 2,14,300	17	2,79,51,395	+ 3,49,974	
Madras & S.M.	July 4	3,132	—	8,35,000	+ 18,090	14	1,29,07,368	+ 7,41,775	
Nizam's Guar.	July 27	797	—	2,02,178	+ 8,718	13	31,28,578	+ 3,48,209	
South Indian	July 4	1,752	+ 3	5,84,718	+ 43,466	14	81,37,696	+ 3,95,018	
South. Punjab	M. of Feb.	790	—	7,05,256	+ 23,706	5	34,35,361	+ 6,31,171	

COLONIAL.	Week to	Miles	+ or -	Gross		Wks		Total	
				Rp.	+ or -	Rp.	+ or -	Rp.	+ or -
Can. Northern	July 21	4,670	+ 373	£378,900	+ 68,900	3	1,115,900	+ 219,100	
Can. Pacific	July 21	12,039	+ 474	2,232,000	+ 376,000	3	6,860,000	+ 1,052,000	
Gd. Trk. Pacific	July 21	1,104	—	420,355	+ 3,134	3	82,939	+ 10,644	
Grand Trunk	July 21	4,008	—	169,242	+ 34,218	3	529,114	+ 54,824	
Gd. Trunk W.	July 21	336	—	28,130	+ 1,172	3	83,363	+ 1,768	
Det. Gd. Ha.	July 21	189	—	10,346	+ 1,258	3	31,038	+ 2,335	
Manchouland	M. of May	751	—	59,715	+ 20,974	8	488,095	+ 41,187	
New Cape Cent.	July 4	205	—	1,875	+ 147	27	51,317	+ 3,142	
Rhodesia Rlys.	M. of May	1,397	—	84,850	+ 835	8	642,336	+ 57,633	

FOREIGN.										
Antofagasta ...	July 26	819	+ 25	£ 36,030	+	160	30	1,067,814	+	5,294
Arg. N. East ..	July 24	687	+ 2	£ 6,225	+	1,338	4	19,225	+	7,907
Arg. Transand ..	July 25	111	—	£ 270	—	780	4	1,350	—	2,540
Brazil	M. of June	3,362	+ 99	£ 202,487	+	13,684	6†	1,302,333	+	58,151
Panlista	M. of June	715	—	£ 116,667	+	30,794	6†	732,000	+	92,934
Mogiana	M. of June	1,084	+ 24	£ 127,200	—	63	6†	644,333	—	14,102
Md.-Mamore ..	M. of June	226	—	£ 12,733	—	20,022	8†	121,666	—	86,851
B.A. & Pacific ..	July 25	3,506	+ 89	£ 77,000	+	12,000	4	266,000	+	71,000
B.A. Central. .	M. of May	190	+ 25	£ 17,800	+	7,500	11†	267,989	+	22,374
B.A. Gt. So.	July 26	3,729	+ 147	£ 79,000	+	13,000	4	292,941	+	87,964
B.A. Western ..	July 26	1,792	+ 11	£ 42,000	—	5,000	4	147,000	—	30,000
Cent. Argentine	July 25	3,262	+ 205	£ 106,000	+	30,400	4	397,000	+	103,900
Cent. Uruguay	July 25	271	—	£ 8,053	—	2,967	4	32,554	—	11,886
" (E.Ext.)	July 25	311	—	£ 2,776	—	389	4	9,829	—	3,152
" (N.Ext.)	July 25	185	—	£ 1,581	—	885	4	5,728	—	4,145
" (W.Ext.)	July 25	211	—	£ 1,173	—	408	4	4,354	—	1,482
Cord. Central ..	July 25	1,186	—	£ 37,170	—	12,285	4	133,320	—	39,280
Cuban Central ..	July 25	345	+ 8	£ 6,940	+	27	4	23,981	—	60
Egyptian Delta ..	July 10	624	+ 1	£ 5,879	—	131	14	56,788	—	1,286
Entire Rios	July 25	730	—	£ 8,700	—	1,900	4	31,300	—	9,000
Gt. W. of Brazil ..	July 25	1,010	+ 6	£ 9,500	+	300	30	403,600	+	7,000
La Guaira & Ca. .	M. of June	23	—	£ 8,000	—	—	8†	59,500	—	1,000
Leopoldina	July 25	1,752	+ 51	£ 38,761	—	124	30	953,047	+	19,497
Manila North	July 25	321	+ 17	£ 4,625	+	466	30	206,023	+	11,824
" South	July 25	189	+ 14	£ 3,352	+	409	30	105,096	+	4,888
Mid Uruguay	M. of June	319	—	£ 9,787	—	236	12†	127,911	—	8,416
Nitrate (2 wks.) ..	July 15	366	—	£ 29,578	+	2,371	28	385,474	+	16,927
N.W. Uruguay	M. of June	113	—	£ 21,500	—	9,675	12†	296,692	—	65,653
Ottoman	July 25	379	—	£ 10,539	—	209	4	31,791	—	3,444
Paraguay Cent. ..	July 25	255	+ 23	£ 2,610	—	730	4	8,970	—	3,710
Peruvian Corp. .	M. of June	1,059	—	£ 103,418	+	18,999	12†	12,530,954	+	880,296
Puerto Cabello ..	M. of June	24	—	£ 3,250	—	500	8	24,500	—	500
Salvador	July 25	100	—	£ 15,500	—	600	4	75,000	—	850
San Paulo	July 19	154	—	£ 33,799	—	8,260	3	103,950	—	18,599
Taitai	M. of June	184	—	£ 24,720	+	1,695	12†	308,573	+	4,006
U. of Havana	July 25	681	+ 9	£ 18,299	—	1,599	4	71,938	—	1,745
Urug. E. Coast	June 13	73	—	£ 638	—	158	50	35,539	—	3,871
Urug. Northern ..	M. of June	73	—	£ 1,745	—	324	12†	25,987	—	3,638
W. of Havana	July 25	147	—	£ 6,244	+	131	4	20,856	—	1,900
Zafra & Hlva. .	M. of June	112	—	£ 13,119	+	1,133	6†	85,826	+	5,950

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The Statist.

LONDON, SATURDAY, AUGUST 1, 1914.

THE CRISIS.

THE Military Party in Austria-Hungary has for six or seven years been labouring assiduously to bring about a war for the purpose of extending Austro-Hungarian authority, if not Austro-Hungarian territory, in the Balkans. Unfortunately it has succeeded. War has been declared by the Government against Serbia, and

we are all watching in breathless suspense what will be the answer of Russia to this thunderbolt. Russia is the acknowledged patron of the Slav States. Russia just now has induced Serbia to make concessions which must be humiliating to the last degree for the purpose of maintaining peace, and Russia has endeavoured at Vienna to awaken a more serious spirit. Until a contrary decision is arrived at it is, of course, possible, though few dare to hope, that Russia may decide upon remaining neutral. Indeed, it is very doubtful whether the Russian Government has power to remain neutral; for, if any judgment can be passed upon Russia, it is that Pan-Slavism

England
and Italy.

is the strongest feeling in the country;
and that no Russian Government

is strong enough to resist the indignation that would be aroused if a small Slav State were abandoned to the tender mercies of an invader. Still, Russia has not yet actually taken any step that pledges her to war; and so long as that is the case we may entertain some faint hope that means may be found for warding off the calamity. Next to Russia, the most preponderating influence will doubtless be exercised by Germany. If Germany strongly urges her ally to be contented with the concessions of Serbia, or, if that is hopeless, then to be contented with some other concessions to which Russia will consent, peace may even still be preserved. If, on the other hand, Germany considers herself bound to assist Austria-Hungary, no matter what course Austria-Hungary pursues, then the prospect of peace becomes dark indeed. For it is to be presumed that if Russia resolves to protect Serbia, and if Germany makes up her mind to back Austria-Hungary in all its demands, France must support Russia, and the localising of the war becomes impossible. Nevertheless, we venture to submit that there is a possibility that it might be not, indeed, localised, but at all events restricted within certain limits. If Germany feels herself bound to Austria-Hungary, and if France feels herself bound to Russia, both these must, of course, act according to treaty. But it is different with ourselves and with Italy. We are not bound by treaty to any of the parties. We may see a reason strong enough to induce us even to depart from a peaceful attitude, and draw the sword. But we are not bound to do so, at all events by treaty. Therefore, we have at least an option. In the case of Italy, it is generally understood that she is not bound to follow Austria-Hungary. Indeed, the impression is widespread that Italy concluded the Treaty of Alliance with Germany as an insurance largely against Austria-Hungary. Italy, moreover, has no interest to see Austro-Hungarian influence extended in the Balkans. The Dual Monarchy is strong enough already from the Italian point of view at the other side of the Adriatic. It would clearly, not be in the interest of Italy to make it stronger. Therefore, Italy clearly has no interest in entering into a war which would in all reasonable probability bring her no advantages, however great the success of herself and her allies might be; but might, on the other hand, involve great disaster. On the contrary, Italy has strong interests to keep out of the conflict to which she is no party, and which might prejudice her interests. If, then, the United Kingdom and Italy come to an agreement to keep out of the struggle it might be limited, although, unfortunately, not localised.

There would be many advantages from such an arrangement. If this country and Italy resolved to remain neutral they would be in a position to watch the struggle as it went on; to take advantage of any opportunity that might occur for offering their good offices; and they might, therefore, be successful in terminating the war earlier than it otherwise would come to an end. If, in addition, they were joined by the United States for that purpose, further advantages

would occur, inasmuch as all the belligerents would feel bound to do nothing that would injure neutrals; and so far as we ourselves, Italy, and the United States are concerned, we might rest fairly well assured that our interests would not be injured; that all the belligerents, in short, would be as careful as possible

The Economic Aspect.

not to give occasion to any of the neutrals to take sides against them. One of the great dangers of a war of the kind that threatens us is that the belligerents become so inflamed that they overlook the interests of neutrals, and think only of what is best calculated to paralyse the enemy. Therefore, things may be done which may be felt to be grievances by neutrals, and often States that heartily desire to keep out of the fray are drawn into it because their interests as neutrals are attacked. A single State holding aloof cannot be as secure of having its rights protected as several States would be; and the limiting of the sphere of belligerency, even in this small way, would be an advantage to the belligerent countries, while it would be a blessing to the neutral countries. Moreover, if the conflict is not brought to an end in a single campaign, the belligerents would see how the neutrals were benefiting by the conflict, how trade was passing away from themselves, and how their own working classes were suffering. This, in fact, is one of the grave dangers that are likely to arise. If such a war as seems to be impending does occur, and the whole fighting manhood of each country is called out, trade will be utterly paralysed. The prices of all necessities of life will rise rapidly. While employment will decline even more. Therefore, bitter distress will follow, and after a time the starving multitudes may refuse to suffer in silence. Every Government ought to think of this before plunging into the mêlée. If they do not they will have a rude awakening, suppose that the war is not ended in a single campaign. But obviously if that were to come about the neutral nations would be presented with a most favourable opportunity to offer their intervention. They might then be able to bring about a tolerably satisfactory peace. And they would clearly also be in a position to rush in provisions where the suffering was the greatest. It is hardly necessary to continue this line of argument. Every reader will see for himself not only how grave the crisis is, but how desirable it is also that everything possible should be done to restrict within the narrowest boundaries permissible the area of conflict. The settlement of the Irish question, and the decision of all parties to stand shoulder to shoulder behind Sir E. Grey will, we trust, if not prevent the actual spreading of the war, at all events limit it as far as is humanly possible.

THE ULSTER PROBLEM.

It is most earnestly to be desired that the difficulties with which we are confronted, both at home and abroad, will make the public of all classes, creeds, and parties recognise the dangers that threaten us, and draw together to present to the world the spectacle of a united people. To do this it is necessary, in the first place, to settle the Ulster problem quickly and amicably. The shooting down of unarmed men, women, and children in Dublin the other day warns us how grave is the situation in Ireland, and how imperative it is that satisfactory settlement shall be arrived at without a moment's avoidable delay. Sir E. Grey is exerting himself zealously and assiduously to prevent the dread catastrophe of a general war. No man is more likely to succeed because of his high character and the impartiality he showed during the

Balkan wars. But even Sir E. Grey will speak with little authority, unless it is clearly understood the world over that he has behind him not merely a united nation in Great Britain and Ireland, but a united Empire of 400 millions of human beings. If that is once fully realised, every Government now inclined to pursue a headstrong policy will hesitate long. It is everywhere realised that peace is the greatest of British interests; that the British Government, therefore, is working in a single-minded spirit to secure that great blessing; and that, consequently, whatever proposal it puts forward is not intended to injure any of the parties, but only to ward off a peril, the magnitude of which it would be impossible to overestimate. There is no danger, then, that Sir E. Grey will be regarded as an enemy in disguise. But however highly he may be personally regarded, and however weighty his opinion may be acknowledged to be by diplomats in general, if it is thought that the British people are divided, he will be able to effect little. We have no desire to pose as prophets. We therefore, offer no opinion as to what would be the result were a great war to break out in so far as the parties to the war may be concerned. But we entertain no doubt at all that the whole of Europe would suffer to an extent that is by no means generally realised. We are an unimaginative people immersed in our own personal concerns or pursuing our own empty pleasures. We rarely trouble to think out any problem, and least of all problems of war. Yet it must be manifest to the few who do think that in the Europe of the present day, with universal liability to military service enforced amongst so large a part of its States, a great war would be a calamity exceeding anything that has been witnessed since the fall of the Western Empire. As we point out elsewhere, it is scarcely to be hoped that such a war could be ended in a single campaign. If it were to be protracted for two, or three, or more years, then the disaster to Europe would be incalculable. It is hardly an exaggeration to say with an American contemporary that Europe would be likely to lose the hegemony of the world, and that however fortunate she might be, and however her peoples might work for and save after the conclusion of the struggle, it would be a remote period before she could recover the place she had thrown away in wanton folly. It is our duty, then, not only to ourselves and to the Empire at large, but to the whole of humanity, to exert ourselves to the utmost to prevent such a catastrophe. It is for the dominant partner in the Union to use its influence to the utmost, not by taking sides, but by coming to a reasonable arrangement which will preserve peace in Europe and enable the whole of us to stand shoulder to shoulder in the presence of threatened war. As we go to Press the report reaches us that an agreement has been arrived at for the settlement of the Ulster difficulty, and that the British people are once again able to present a united and solid front to foreign nations.

AUSTRIA-HUNGARY.

THE Government of Austria-Hungary has declared war against Serbia. If it could reckon surely that it would be left to deal as it may please with the little kingdom, its task would be safe enough, though it might cost, both in blood and in money, more than the victory would be worth. Suppose, however, it is not left free to deal as it pleases with its little neighbour, the question arises. Is the Dual Monarchy prepared for a great war, the extent and duration of which no man can measure? The census taken at the end of 1910 showed that the total population of the Dual Monarchy

amounted to 51,356,000. Out of this grand total the Germans and the Magyars numbered together 22,049,000, while all the other nationalities together amounted to 29,307,000. Consequently, the other nationalities exceeded the two races combined by a trille over $7\frac{1}{4}$ millions, or about 30 per cent. It is necessary, however, to examine those figures a little more closely than our daily contemporaries have done; for, in the first place there are Germans in Hungary. They are descendants of Saxons who were long ago invited into the country, and who are by no means satisfied with the position in which they find themselves at the present time. The Magyars, driven almost beside themselves by the failure of the insurrection of 1848, by the intervention of the Russians, by the spirit in which their rising had been punished, and determined to secure their own autonomy for the

**Germans,
Magyars,
and Slavs.**

future, have been endeavouring, ever since the compromise with Austria after Sadowa, to Magyarise all the subject populations. Everybody knows that Croatia has been made furious; that, in fact, she has been governed for a considerable time by martial law. The Roumans in Hungary miss no opportunity to make known their own dissatisfaction with their treatment. And it is matter of common knowledge that the Saxons of Hungary are likewise not quite content with the position in which they find themselves. Therefore, when it is said that there are so many Germans in the Dual Monarchy it must not be supposed that they all belong to the dominant class, or that they are ardent supporters of the policy now being followed. Really, then, the Germans of the dominant class and the Magyars are in even a greater minority than the census figures seem to show. On the other hand, it ought not to be forgotten that the Poles, for the most part, if they do not approve the policy which is now being acted upon, at all events would side with Austria in a quarrel with Russia. In other words, their hatred for Russia is greater than their dissatisfaction with the existing régime in the Hapsburg Monarchy. Setting off the Poles against the Hungarian Germans, it may be said, then, roughly, that the two governing races in Austria-Hungary are in a minority of about 30 per cent. Furthermore, to understand the position clearly, it ought not to be forgotten that while there is widespread discontent amongst all the nationalities which are not either German or Magyar, those nationalities are divided amongst themselves. For example, the Italians strongly desire annexation to Italy. But it is highly improbable that they would side with the Slavs against their Government as long as Italy remains the ally of Austria-Hungary. Still, the fact remains that the present policy is approved of only by a decided minority, and that that minority consists of two great populations which certainly do not love one another. The facts being such, it seems almost incredible, even though war has been declared, that statesmen in their senses will not come to an arrangement to prevent a struggle which might light up a general European conflagration.

In addition to this, it is to be recollected that Austria-Hungary is a poor undeveloped country. It has made very considerable progress during the past generation. And if peace were maintained and a great Federation could be substituted for the Dual system there is every reason to anticipate that progress during the next generation would be very marked. Therefore, the economic condition of the country seems to demand a long period of repose. Moreover, the Balkan wars brought to the knowledge of all who watched their consequences that the Balkan countries constitute the chief market for Austro-Hungarian manufactures. It will not be forgotten that when those wars began, and the various belligerents proclaimed moratoriums, a grave crisis was created in

the Dual Monarchy because debts due to Austrian and Hungarian merchants and manufacturers could not be recovered. The consequence was that either manufacturers had to close down, and in some cases to close altogether, or else they had to store large quantities of their goods because they could not sell them. In consequence of the crisis there were runs upon the banks, and those who have been attending to what is happening at the present moment are aware that in Austria-Hungary this week there have been runs, especially on the savings banks; business is being thrown out of gear; credit is seriously lowered; and there is the gravest apprehension of

**Condition of
Austria-
Hungary.**

what may happen if the present policy is persevered in. Considering all the circumstances, one would expect that the experience of the past two or three years—indeed of the past six years—would have impressed upon all public men in the Dual Monarchy that the employment of the wage-earners, particularly in the economically more advanced parts of the Monarchy, is greatly affected for the worse by everything unfavourable that happens in the Balkan countries. Yet the Government seems light-heartedly to have provoked the present state of things, which is sure to result in still further closing the Balkan markets against Austro-Hungarian commodities. As if all this were not sufficient, the Government apparently shuts its eyes to the consequences upon its own credit. Austria-Hungary is a heavily taxed country. If the people could be won over to contentment with their lot, and if the various Governments could devote themselves to the improvement of the economic condition of the country, there is absolutely no reason why it should not make marked advance. But, as a matter of fact, it is keeping up an army and a navy too expensive for its present economic development. Therefore, it has to impose an exceedingly heavy taxation upon a poor and struggling people, and, moreover, upon a people the majority of whom are discontented with their Government. It seems to the impartial observer who tries by patient study to understand the influences which are determining the drift of opinion throughout Europe as if the ruling races, both in Austria and in Hungary—more particularly in Hungary—were either so ignorant or so careless of consequences that they are driving rapidly upon the rocks. During the Balkan hostilities they found it so difficult to borrow even small sums that they had to apply to the United States, and to pay as much as $6\frac{1}{2}$ per cent. for the trifling accommodation they obtained. Yet they remain blind and deaf to all these signs of the times; and, although the Servian Government has humbled itself and has accepted every demand made in the Austrian ultimatum except those which would deprive it of all real independence, they declare to the world that they are not satisfied. The credit of the Dual Monarchy is so low, mainly because of the policy it pursues, that the building of great fortifications to prevent an invasion from Russia has been put off, although Russia has been the bugbear ever since Austrian ingratitude during the Crimean war. Furthermore, although the fear of a Russian invasion drove Austria-Hungary to overlook its own expulsion from the Germanic Confederation, its humiliating defeats by Prussia, and the subordination of the Hapsburgs to the Hohenzollerns for the sake of protection, yet they have not found the means of providing themselves with an army that could reasonably hope to meet Russia successfully, even in its own country. The war strength of the Austro-Hungarian Army is estimated at nearly $2\frac{3}{4}$ millions. But it is to be recollected that there is a good deal of overlapping, and that many of the reservists are scattered over the world, so that it seems safe to conclude that it would be difficult to actually bring together two millions of men. And many of these, because they have been either insufficiently,

trained or so long in the reserves, would be of little value.

The Balkan wars have so changed the map of South-Eastern Europe that they have made the position of Austria-Hungary much more disadvantageous than it was at the time of the annexation of the occupied Provinces. Previous to that, it was everywhere believed that the Turkish Government had placed itself under the protection of Germany. A German general and a large staff of German officers had been lent to the Turks to reorganise and prepare them for war. Therefore, it was assumed by every General Staff and in every Foreign Office that if a European war were to break out Germany and Austria-Hungary could count upon the military support of Turkey. Moreover, as the King of Roumania is a Hohenzollern, it was assumed that Roumanian support could also safely be counted upon. Thus the Triple Alliance believed that it could command the services both of Turkey and of Roumania. The Balkan wars

**What Could
and Would
the Balkan
States Do?**

have shown that Turkish military assistance would avail little. The Turkish Army is not properly organised; is not, therefore, prepared for war; and could be disposed of by Russia in a few weeks. Furthermore, the maladroitness of

Austria-Hungary has alienated the Roumanian people to the extent that Roumania is now apparently committed to an alliance, or something like an alliance, both with Greece and with Serbia. Over and above all this, the Servians and the Greeks have come out of the two wars with greater reputations than when they went into them. If, then, Austria-Hungary forces on a great war and Russia takes up the challenge, there can be very little doubt that the Balkan States will be solid against the Dual Monarchy. It is very difficult to arrive at anything like a good estimate of the military force which the Balkan States could bring to bear in such a case. Bulgaria played her cards so badly during the recent hostilities that she has obtained only a small extent of new territory. Through her folly she threw away much that she had secured in the first war. Bulgaria, therefore, is not an ally that can compare in value at the present time with Roumania. Much less can she compare with what was supposed to be the fighting value of Turkey. Roughly, it may be said that the population of the Balkan States amounts to about 16 millions. But Serbia, Bulgaria, and Greece suffered much loss in killed, wounded, and disabled during the hostilities; while it is notorious that they have not been able properly to organise the new territories they have acquired, and especially that they have not been able to extend their military organisation entirely over those territories. What force, therefore, the Balkans could put in the field now is mere conjecture. Sometimes it is put as high as a million and a quarter. But we venture to think that in such an estimate no proper allowance has been made for the consequences of the wars, and for the inability in so short a time to include in the war strength the whole fighting manhood of the newly acquired territories. Even if we divide the estimate by 2, and say that probably when we allow for the force that would have to be maintained to keep Bulgaria in check, Serbia, Montenegro, Roumania, and Greece could put in the field something like 700,000 men, we shall not be very far wrong. It is alleged, for example, by good authorities that Serbia and Montenegro alone could put in the field 400,000 men. What would be the effect upon the discontented Slavs within the Dual Monarchy if the outbreak of war were to see even half a million of Balkan troops poured into the Slav territories of Austria, while it was known that they would be backed by a large Russian force which, considering the magnitude of the Russian population, could be reinforced indefinitely?

POSSIBLE CONSEQUENCES OF A GREAT WAR.

ALTHOUGH Austria-Hungary has declared war against Serbia, we still do not give up all hope that the world will be spared so terrible a disaster as would be hostilities between several of the leading European Powers. Nevertheless, it may be worth while to ask ourselves, What would be the economic consequences of an armed struggle between several great States? Indeed, the asking of the question may induce the public to study the facts for themselves, and may thus help to ward off so dreadful a calamity. There is another reason which suggests that the occasion should not be allowed to pass without directing men's minds to the possible results. It is that the present is the first time since universal liability to military service has been adopted upon the Continent when there has seemed real danger of hostilities on the scale witnessed more than once during the eighteenth century and again at the beginning of the nineteenth. It is possible, therefore, that the real working of the system is about to be severely tested. Austria-Hungary, Germany, Italy, France, Russia, and the Balkan countries have all adopted the policy of universal liability to military service. The experience of

**Universal
Liability to
Military
Service.**

Prussia in the three great conflicts which followed one another so rapidly in 1864, 1866, and 1870, showed beyond all question what immense advantage a Government possesses in war which has it in its power to put in the field armies immensely larger than its antagonist. The experience since in Manchuria, and in the Balkans, has confirmed the teaching of the late sixties and the early seventies. Yet it is to be recollected that in most of the cases just mentioned one of the parties had not the power referred to. Prussia was able to put in the field against both Austria and France forces immensely larger than either of the latter could marshal against her. Russia again was thousands of miles away from the theatre of war in Manchuria, and had only one line of railway with but a single track to provide her army in the field with everything it required. In the case of Turkey, once more the deposed Sultan had discouraged the opening up of his territory by means of railways, while he had allowed his fleets to rot. Consequently, Turkey was not able in time to bring up her full force against her assailants. If now a great war breaks out the circumstances will be entirely different. All the Continental combatants, at all events, have not only adopted universal liability to military service, but have had it in operation for so long a time that the war strength in every case immensely exceeds the peace strength. Thus, if the first few weeks—the period, that is, during which mobilisation is taking place—can be got over safely, it does not seem probable that any one of the parties will have much advantage over its adversary. If the conflict were localised, of course, it would be different. Austria-Hungary could, in that case, pour such forces into Serbia as would make short work with the latter. But the assumption here is that Russia will not allow Serbia to be destroyed if Austria-Hungary is so ill-advised as to refuse to accept all reasonable concessions made by the little State. In that event, it is generally taken for granted that Germany would back up her ally; and that, it is to be feared, would lead to the Armageddon.

For the sake of discussing the probable results, we will assume, further, that the reorganisation of the Russian Army has been carried out with skill, that mobilisation can be effected much more quickly than hitherto, and, therefore, that a large Russian force will be near enough to guard Serbia from the worst before Austria-Hungary can completely dispose of the little Kingdom. Supposing, then, that such were to happen, and that the various alliances were to be

carried into effect, is it probable that the war could be ended in a single campaign? On the hypothesis here put forward that Austria-Hungary insists upon Serbia practically submitting to be dictated to in all her policy from Vienna and Buda-Pesth, and that Russia hastens to the support of Serbia with such effect that the Austrian Army of invasion finds itself, before it can master the little Kingdom, face to face with Russia, it seems reasonable to conclude that the Balkan States would join Russia.

Servia would then have a chance of creating the Great Servia which has been the dream of her people for so long. If Roumania and Greece were likewise to join Russia, the former would have a chance of annexing Transylvania; while Greece would be reasonably sure of gaining for herself the various Ægean Islands she covets. They would thus, each one of them, have a strong temptation to join Russia, while sound policy would dictate to Russia to give such assurances to the Balkan States as would lead them to join her. Bulgaria, if she stood alone, would easily be mastered; while if she fell in with the others she might recover some, at all events, of what she lost in the last Balkan war. Turkey would be unable to interfere, for the Russian and the Balkan armies would practically cut her off. Such being the probable course of events on the hypothesis here put forward, it seems reasonable to conclude that the war could not be finished in a single campaign. There is a possibility, of course, that the Austro-Hungarian General Staff has at its head a man of exceptional ability; that everything has been so got ready that, even before the Russians can come up, Servia will be occupied. There is also the possibility that Germany may be able to strike so forcibly and so quickly that a few weeks, or, at all events, a few months, would settle the contest. But all that seems exceedingly improbable.

Europe has been passing for nearly 10 years now through alarms always threatening the breaking out of war. Every nation, therefore, has had full warning that any day the peace might be broken, and, therefore, they have had notice of the necessity to fully prepare. If they have done so, it does not seem likely that either side will be so superior in numbers or generalship as to defeat the other side very quickly. If that turns out to be the case and a second campaign has to be fought, what will be the effect upon the economic condition of the Continent? While the question becomes more serious still if a third campaign were necessary before the end could be reached. In our own struggle with the Boers, the conflict went on for two and a half years. Is it, then, at all improbable that a conflict between Russia and France, say, on the one side, and Austria and Germany on the other could not be ended in a short time? Is it not, on the contrary, reasonable to conclude that, as all of them have been preparing so long, all of them will be in a condition to fight two or three campaigns before any one of them completely surrenders? But would it be possible for any of the Continental Powers to continue a war on the scale of present-day wars for three years? If they could do so they would practically exhaust themselves. To keep open the communications, to provide armies in the field with everything necessary, both in the way of munitions of war and of provisions, and to fill up the gaps caused by deaths in battle, wounds, and the ill-health that would attend a long spell of campaigning in all kinds of weather would make such a demand upon the vigorous manhood of all the countries that it seems reasonable to infer that they would be, every one of them, even the wealthiest, exhausted before the end of three years was reached. The calling up for so long a time of all men of fighting age would divert such vast amounts both of labour and capital from productive to unproductive employment as would render it practically impossible to do all this, and at the same time to maintain the non-combatants. The expenditure

upon war in its present shape would mean an outlay every day of immense sums by the several combatants. Therefore, the work of productive industry would be thrown either upon the very young, or the very old, or upon the women, or upon all three. Would it be possible for all three to execute the task. We have seen in the Franco-German War, and again in the Manchurian War, that great armies can be maintained in the field for six or even eight months or more. But, remembering how both Russia and Japan were exhausted by a single campaign, it appears not unreasonable to believe that if all the leading States of the Continent could go on fighting for three years, or, at all events, if passions were so excited and the demands of the more victorious side were so extortionate that fighting was continued, exhaustion would be the inevitable consequence. Whichever side was able to acquire and retain the command of the sea would have a great advantage over the side that lost such command. That advantage might not assert itself so

The Economic Consequences. evidently for a considerable time as to end the conflict. For all that it seems certain that American publicists who predict that the one certain consequence of a great European war would be the transference of much of the trade of Europe to the United States are not wrong. If the energies of the Continent were almost monopolised by the carrying on of the war much of Continental production would have to be neglected, and as the consumers could not afford to wait upon the convenience of Europe, their orders would be transferred to the United States; and the United States, therefore, would immensely increase in prosperity. If the war were carried on with such determination and such rancour that it was protracted through three campaigns the waste of wealth in Europe would be inconceivably great, and when peace at last was concluded there would not be the means of immediately resuming the position which had been abandoned for the sake of slaughtering the peoples of neighbouring countries. It seems safe to conclude, therefore, that in the present condition of Europe unless a war can be very quickly finished, it will exhaust the combatants and immensely lessen the predominance of Europe in the other Continents of the world.

CAPITAL ISSUES IN JULY.

WHEN one takes into account the very large amount of capital publicly subscribed in this country up to the end of June, the new issues in July reached a considerable total, amounting to nearly £21,947,000 this year, against £22,477,000 last year and £29,846,000 in 1912. For the seven months the amount of capital publicly raised in this country has reached the great sum of £190,489,000, in comparison with £173,752,000 last year in the same period, £150,827,000 in 1912, and only £130,825,000 in 1911. In 1910, when the issues were also very large, the total was £176,439,000. Of the total subscribed in July nearly £10,000,000 was for the Colonies and India, over £7,000,000 for foreign countries, and £5,000,000 for the United Kingdom. For the seven months the amount subscribed for the Colonies and India reaches the great sum of £84,582,000, against £66,603,000 last year and £41,641,000 in 1912. The sum subscribed for foreign countries has been £67,341,000, against £75,377,000 last year and £71,827,000 in 1912. The total amount subscribed for Indian, Colonial, and foreign countries in the period has thus been nearly £152,000,000, against £142,000,000 last year, £113,000,000 in 1912, and £109,000,000 in 1911.

A large part of the money thus subscribed has yet to be remitted to Colonial and foreign countries, and the receipt of the money should help to maintain the credit of those countries for some months to come; indeed,

possibly until the war clouds which now threaten Europe have passed away. The extraordinarily large amount of capital subscribed in this country in public issues so far this year will be evident from the following statement:—

Destination of Capital (a) Subscribed by United Kingdom in July and in First 7 Months of Last 5 Years.

	United Kingdom	India and Ceylon	British Colonies	Foreign Countries	Total
JULY—	£	£	£	£	£
1914 ...	5,005,587	3,947,750	5,676,930	7,317,475	21,947,742
1913 ...	6,231,030	63,842	6,647,888	9,533,972	22,476,732
1912 ...	10,498,730	64,802	6,730,447	12,552,358	29,846,337
1911 ...	2,503,200	192,500	3,119,908	3,163,457	8,984,065
1910 ...	8,737,637	417,789	5,103,326	3,923,756	18,182,508
SEVEN MONTHS—					
1914 ...	38,565,849	7,404,298	77,177,528	67,340,895	190,488,570
1913 ...	31,772,249	3,501,909	63,101,468	75,378,768	173,752,394
1912 ...	37,558,256	3,367,620	38,273,824	71,827,121	150,826,821
1911 ...	21,216,387	5,209,342	33,581,101	70,818,029	130,824,859
1910 ...	33,733,539	13,419,632	45,565,794	83,720,082	176,439,047

The individual countries to which the capital has been supplied so freely in the current year are set out in the statement appended:—

Countries to which Gr. Britain has Supplied Capital & Amounts Subscribed in July and in First 7 Months, Last 3 Years.

	1914	1913	1912	1914	1913	1912
	£	£	£	£	£	£
COLONIAL—						
Canada ...	4,977,288	4,012,254	3,258,750	44,339,905	41,379,573	24,847,044
Australasia ...	607,000	1,902,500	1,933,281	19,410,650	14,462,150	6,091,548
South Africa ...	15,000	462,000	545,000	9,853,294	5,576,075	3,979,419
India & Ceylon ...	3,947,750	63,842	64,802	7,404,298	3,501,909	3,267,620
B. W. Africa ...	10,000	157,500	257,500	1,550,975	244,500	1,104,262
Straits Settlements ...	67,644	113,634	260,916	613,256	827,570	1,571,551
Other Colonies ...	Nil	Nil	475,000	1,409,448	611,600	680,000
Total	9,624,680	6,711,730	6,795,249	84,581,826	66,603,377	41,641,444
FOREIGN COUNTRIES—						
Argentina ...	1,116,000	3,825,000	1,056,800	13,925,232	13,151,000	13,458,540
Russia ...	50,000	Nil	3,999,365	10,847,377	6,647,367	10,516,243
Belgium ...	Nil	Nil	Nil	9,420,000	Nil	Nil
U. S. A. ...	1,500,000	1,932,776	968,110	8,218,607	14,537,039	17,804,315
Brazil ...	558,600	925,000	2,441,250	7,269,100	20,850,449	11,556,872
Hungary ...	Nil	57,240	Nil	3,612,530	57,240	Nil
Spain ...	2,572,400	13,250	Nil	2,572,400	Nil	Nil
Austria ...	140,000	Nil	318,000	2,045,000	770,000	577,753
Chile ...	194,000	156,800	1,207,500	1,939,094	2,561,987	2,251,995
Greece ...	Nil	Nil	Nil	1,656,483	Nil	Nil
Turkey ...	561,000	Nil	Nil	8,000	Nil	Nil
Mexico ...	Nil	1,432,000	208,333	632,000	5,532,483	2,098,265
Norway ...	422,875	Nil	Nil	422,875	878,750	Nil
China ...	50,000	Nil	1,200,000	50,000	6,675,012	1,200,000
Cuba ...	Nil	530,996	842,500	40,000	1,598,496	842,500
Denmark ...	Nil	Nil	Nil	Nil	Nil	2,925,000
Japan ...	Nil	Nil	Nil	Nil	Nil	3,230,937
Other Foreign ...	149,600	520,910	318,500	3,870,282	2,146,945	5,264,701
Total Foreign	7,317,475	9,533,972	12,552,358	67,340,895	75,376,768	71,827,121
Total Ind., Col. & Foreign	16,942,155	16,245,702	19,347,607	151,922,721	141,980,145	113,468,565
UNITED KINGDOM	5,005,587	6,231,030	10,498,730	38,565,849	31,772,249	37,358,256
Gross Total	21,947,742	22,476,732	29,846,337	190,488,570	173,752,394	150,826,821

The purposes for which the money was supplied in July and in the first seven months of the current year will be seen from the statement below:—

Purposes for which Capital (a) was Subscribed by United Kingdom in July and in the First 7 Months of Last 3 Years.

	1914	1913	1912	1914	1913	1912
	£	£	£	£	£	£
Of Security						
Governments ...	1,825,000	3,517,000	3,514,000	73,050,165	47,910,031	15,603,237
Municipalities ...	1,635,876	1,245,855	1,367,697	21,470,490	13,321,371	15,225,881
Railways ...	8,052,250	7,765,000	4,046,850	40,870,075	51,812,120	34,484,644
Banks ...	Nil	910,000	720,000	1,415,395	2,854,965	3,740,000
Breweries ...	Nil	Nil	172,800	911,500	Nil	459,790
Canals & Docks ...	Nil	173,500	400,000	Nil	173,500	400,000
Commercial, Industrial, &c. ...	1,669,405	4,349,128	4,804,397	14,457,652	25,415,493	22,208,595
Electric Light & Power ...	558,600	334,043	10,000	4,747,747	2,837,071	4,822,354
Fin., Land, Investment & Trust ...	159,095	875,180	5,090,500	8,053,183	7,135,472	12,074,725
Gas and Water ...	Nil	Nil	Nil	895,346	892,410	1,109,187
Insurance ...	25,250	Nil	Nil	247,161	182,430	418,750
Iron, Coal, Steel & Engineering ...	591,750	676,407	1,685,000	3,759,770	4,830,971	7,656,505
Mines ...	687,812	287,634	803,281	1,812,562	2,651,438	3,990,104
Motor Traction ...	477,660	425,000	Nil	1,984,160	1,103,750	131,812
Nitrate ...	Nil	156,800	Nil	285,000	336,800	Nil
Oil ...	1,690,000	364,483	3,656,001	3,064,709	3,503,083	5,803,782
Rubber ...	182,644	121,125	298,218	665,589	1,027,169	1,994,758
Shipping ...	1,725,000	657,200	1,000,000	5,963,500	2,799,193	9,023,312
Tea and Coffee ...	24,000	49,592	Nil	142,330	205,342	157,100
Telegraphs and ...	Nil	127,535	208,333	244,000	719,535	2,821,303
Tramways ...	2,642,400	441,250	2,071,250	6,448,236	4,035,250	8,700,482
Total	21,947,742	22,476,732	29,846,337	190,488,570	173,752,394	150,826,821

(a) Calculated at issue price. Excludes conversion loans and vendors' shares.
(b) Includes issue of Canadian Pacific Railway Investment Fund Certificates.
(c) Includes issue of Canadian Pacific Railway Common stock.

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Financial Notes.

Nobody who is at all acquainted with the economic condition of Austria-Hungary can have been surprised to learn that the Ultimatum sent to Serbia and the rejection of the Servian reply caused a panic upon the Bourses of Vienna and Buda-Pesth so great that it was found expedient to close both for three days. It will be interesting to watch what will be the effect of this measure of precaution. During the three days it is to be hoped that alarm will have calmed down, and that it will be possible to re-open without a renewal of the panic. On the other hand, if the Austro-Hungarian Government persists in the policy it is now pursuing it is to be feared that the measures adopted will not do very much good, and that the losses to all engaged in the Bourses will be exceedingly heavy, if, indeed, the losses are confined to the Bourses, and do not extend in other directions.

It is not surprising to find that there has been, likewise, a run upon the savings banks, and some of the smaller local commercial banks. It will be recollected that the same thing happened when the Balkan War began, and that there was hoarding upon a considerable scale. That the same thing occurs now shows in what a nervous condition the people are throughout the Dual Monarchy, and how formidable is the crisis which has been so suddenly sprung upon the world. Austria-Hungary has, in fact, never recovered from the consequences of the annexation of Bosnia and Herzegovina. The Government had to borrow largely to carry out the mobilisation, and other measures then resolved upon. It is true that it was able to successfully carry through its policy. But it did so at a very heavy cost to its subjects.

The crisis of that time was soon followed by the Agadir incident. It was not long before there ensued upon that the Balkan wars. And now, when people were beginning to hope that at last we were entering upon a period of prolonged peace, the Austrian Government has gone out of its way to adopt a tone in regard to Serbia which the circumstances, in the opinion of calm foreign observers, did not justify. Granted that Serbia is a thorn in the side of Austria-Hungary, yet the language and the tone of the Note, which we are asked to consider not an ultimatum, seem to be much more brutal than there was any need for.

If, happily, Serbia is induced to make further concessions which will satisfy the Austro-Hungarian Government there will, no doubt, be a recovery. But it will be a slow and painful recovery. For the present action seems so much out of proportion with the needs of the moment that it will take a considerable time before the home public quite recovers its nerves. If the agitation carried on by Serbia within the dominions of the Emperor Francis Joseph was so very formidable that it calls for the practical submission of the Servian Government to the super-

vision of the Austro-Hungarian Government, what can anybody, either within the Dual Monarchy or outside it, think of the stability of that Monarchy.

If a little State like Serbia can drive the Austro-Hungarian Government to such extreme measures, then surely the world will conclude the future of Austria-Hungary is in a very perilous state. If the advisers of the aged Emperor were sagacious they would recognise that the course they are following is calculated as well as anything could be to ruin the credit of the Monarchy abroad, and to spread wide the belief that its life is not likely to be long. The only alternative is to assume that the Ministry has been watching for an opportunity to humiliate Serbia and bring it under its heel, and that the Serajevo murder seemed to them as good a one as was likely to offer.

It is to be feared, then, that even if peace is quickly restored and gradual recovery sets in, it will be a long time before there will be real improvement in the Dual Monarchy. For one thing, it is very improbable that foreign countries will be disposed to lend largely. The relations, both economic and political, between Austria-Hungary and Germany are so close that no doubt a certain amount can be borrowed in Berlin. But it is to be recollected that Germany is a country which is making very rapid strides financially, commercially, and industrially; that, therefore, it needs a constant increase of capital. Before the Agadir incident it was able to borrow very freely in Paris. Since then the Paris banks have not been so ready to employ balances in Germany, and after this alarm they are not likely to be more disposed to do so. Therefore, it looks as if the economic growth of Germany will need nearly all the capital she can accumulate herself. If that be so, she will not be able to lend freely to Austria-Hungary, and there is nothing in the present condition of things to induce France to place her capital at the service of the Dual Monarchy.

So far we have assumed—what we hope will turn out to be correct—that somehow or other the war will be very quickly ended, or, at all events, that hostilities will be localised. But if they are not, even if Russia could be persuaded to leave Serbia to its fate, the conquest of Serbia would be a costly matter. It is notorious how heavy was the cost of the conquest of Bosnia and Herzegovina. One of the pleas which has been most accepted as the best justification for the annexation of those two provinces was, firstly, that the cost of the occupation was enormously in excess of what anybody had expected; and, secondly, that the Dual Monarchy had laid out immense sums in improving the condition of the two provinces. If now Serbia is to be occupied, the cost will probably not be less, and is it likely that the mere occupation of Serbia—or, to go farther still, the annexation of Serbia—would compensate Austria-Hungary for the additional dangers it would thus bring upon itself, and for the greatly increased outlay?

If Russia interferes what will be the cost to Austria-Hungary? Whether we assume that the war is localised between the two Great Powers, or that allies on both sides intervene, the cost will be enormous, and the question surely must have occurred to the advisers of the aged Emperor. Where is the money to come from? It seems safe to conclude that a war between two such great States as Austria-Hungary and Russia would cost immense sums, and that, even if Austria-Hungary suffered nothing worse, the cost would be almost ruinous.

The impression made upon Russia has been little less than that upon Austria-Hungary. Apparently,

the great strike has been brought to an end because the workpeople are so pro-Servian that they wish to set the hands of the Government free. At the same time, there has been a serious panic upon the Bourse, and heavy losses have been incurred. The Russian Government may plead that it has had no part in bringing on the crisis; that it did not suppose that the relations between Austria-Hungary and Serbia were so strained; and that, in any event, it had done nothing to provoke Austria-Hungary into the steps it has taken. However that may be, it is evidence of the financial difficulties in which large classes in Russia find themselves, that the Note addressed to Serbia produced such a panic and made such a deep impression.

Again, the incident has caused a serious panic in Berlin. The Bourse was closed for a day, and the losses that have been incurred are heavy. It is not surprising, for the Berlin public seems to have taken for granted that Germany will stand shoulder to shoulder with Austria-Hungary. Indeed, if the shouting crowds in the streets can be regarded as giving voice to the real feelings of the German capital, then Germany is itself disposed to take sides with its ally whether that ally be right or wrong. But a great war is so serious a matter that everybody who has committed himself in any way beyond his means must necessarily be greatly alarmed. It is no wonder, then, that the effect upon the German Bourses has been as great as is reported.

In Paris, likewise, the news of the ultimatum came like a thunder-clap and caused consternation. Paris, of course, it will be recollected, has been suffering from the difficulties of Brazil and Argentina, as well as from the chaos in Mexico. Likewise, the management of French finance has not been quite as satisfactory for a considerable time past as might be desired, while the political situation at home is not liked by the bourses and those who operate them. There are many reasons, then, to account for the great impression made by the suddenness of the step taken by the Austro-Hungarian Government, independently altogether of considerations of what must happen if there is to be a great European war.

But without these preparatory causes, there must have been more or less of a panic when it came to be believed that a European war was by no means unlikely. Of course, it is possible that arrangements may be made which will induce Serbia to go a little further and induce Austria-Hungary, likewise, to accept the new concessions made by Serbia. Also, it is possible that upon fuller consideration Russia may decide not to draw the sword. But the conditions being as they actually are, the danger was quite great enough to account for the panic that has been caused on all the Continental Bourses and the very pessimistic view that was taken of the immediate outlook.

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American Topics.

AMERICA AND A EUROPEAN WAR

THE course of events in Europe has largely modified, if it has not altogether changed, the economic situation in the United States. Until Austria decided to make war upon Serbia the trend of events was towards a contraction of credit in all parts of the world, greatly curtailed consumption in many countries, and a heavy fall in the prices of food and raw material. The outbreak of war in Europe means practically the suspension of credit facilities in the young countries, and, as far as consumption is governed by good credit, a curtailment of trade in these countries is now more inevitable than it was before. On the other hand, however, the outbreak of a war which threatens to encompass almost the whole of Europe will mean the issue of great loans for the purposes of war, and an immense demand for all those things which nations require for war—arms and munitions of war, boots, clothing and canvas—as well as a great and urgent demand for foodstuffs in order that the various nations engaged in the conflict may run no danger of food shortage. Already the prices of wheat and of other foodstuffs have advanced. Consequently, countries possessing surplus supplies of food for sale in European markets will gain great advantage from the advance in prices. In view of America's bumper crops in the current year, the maintenance of and probably recovery in the prices of foodstuffs is a factor of great importance. Furthermore, if war in Europe becomes general, there will probably be a great demand in the United States for munitions of war and for all those things needed by the mighty armies which are now being mobilised. From the standpoint of the immediate future, therefore, a great war in Europe would probably bring economic advantage to the people of the United States, as it would enable them to sell their great crops at prices which would give them a much greater income than they would have realised had there been no war or danger of war. The advantage of this condition of affairs will, of course, bring greater benefit to certain American industries than to others. But it is obvious that almost every industry will derive more or less advantage. Moreover, American investors and bankers should gain much profit from their ability to buy back from Europe great quantities of securities at attractive prices in payment for the foodstuffs, raw material, and even manufactured goods exported from the United States. Furthermore, with war prevalent in Europe, the sums expended abroad by American tourists and the sums of money remitted to friends will probably be unusually small, and this circumstance will increase the power of the United States to purchase securities from abroad without reducing the amount of capital available for employment at home.

Whether or not England will be compelled to participate in the conflict that has been started

between Austria and Serbia cannot yet be decided. Hopes are entertained that the war will be localised, but the strength of these hopes is waning from day to day, and there is undoubtedly grave danger lest the conflict between Austria and Serbia should involve practically the whole of Europe, including Great Britain. In this case Great Britain would not occupy the position it held in 1870 and in 1871, but would have to devote its energies and its capital to providing for its own war expenditures, and its place would be taken by the United States, which, by reason of their great crops and their manufacturing capacity, would be able to supply the European countries with the food they needed at the same time that their factories were available for manufacturing goods for the rest of the world. It has, of course, to be borne in mind that apart from Great Britain the countries engaged in the conflict would be largely self-supporting in the matter of food supplies, nevertheless during the earlier months of the war efforts would doubtless be made to increase the stocks of food in Europe generally against possible contingencies. Russia is, of course, self-contained in the matter of food supplies, but Austria-Hungary and Germany combined are not entirely self-contained, and France also would doubtless need to import considerable quantities of food. Lastly, Great Britain would need to secure a much greater amount of food than usual from the United States, Canada, Argentina, and overseas countries, as imports from Russia and from the Balkans might be difficult to obtain.

In view of their great crops, the United States should be in a position to supply the British people with a great part of the food they will need in such an exceptional period. But the part that the United States could play in world affairs at the present time is greater than the mere supply of food to Europe; it can become, as it has become this week, the world's greatest market for capital. In view of their abundant crops and the probable demand for them, and their diminished tourist expenditures, they will have a vast sum of capital for employment both at home and abroad; and if the American people rise to their opportunity they can do a great deal to mitigate the disastrous economic consequences in many countries which would otherwise result from a great European war. It is obvious that for the time being the Money markets of Europe will be closed to the demands for new capital of Canada, of Brazil, of Argentina, of Mexico, and of other countries; and at such time the prestige of the United States would be immensely enhanced if it were to take the place of Europe and to meet the pressing needs of these borrowing countries. Indeed, it is possible that the United States may be able to do much more than this. It may participate in the great loans that will have to be raised in Europe if almost the whole Continent becomes engaged in war. Possibly its participation will be indirect rather than direct. To subscribe the great sums of money that may be needed for war purposes, European countries will doubtless desire to dispose of large amounts of American securities, both bonds and stocks; and the purchase of these securities by American investors would be America's contribution to the European loans.

For the United States to gain benefit from its position as the wealthiest nation in the world it is essential that American investors should not only have confidence in the future of their own country, but should also believe that war or no war the world will continue to progress. The mischief and injury that a great European war will cause would be greatly minimised if American bankers and investors are as courageous as English bankers and investors have been in the past, and assist to provide the world with capital it will need at a time when it will not be possible to obtain supplies of capital from the countries which, under normal circumstances, are able and willing to supply it. In brief, a great war in Europe

will give the United States the opportunity of assuming the post of world banker by supplying capital freely to countries and individuals in all parts of the globe who need it and can provide the required security. Should the American people take advantage of the golden opportunity that will thus be afforded to them, the outbreak of war in Europe will mean not diminished, but increased, prosperity for the people of the United States.

Their great crops and enormous manufacturing capacity, plus a spirit of enterprise and of confidence, are all that are needed to enable the American people to supply both themselves and other countries with the capital which will be so urgently needed at a time when the European countries will be engaged in destroying the resources they would otherwise employ in assisting the world to expand its productions and to become increasingly prosperous.

HOME RAILWAY DIVIDENDS.

GREAT CENTRAL RAILWAY.

THE directors of the Great Central Railway announce that for the past half-year all dividends down to and inclusive of the Five per Cent. Preference stock of 1881 will be paid in full. For the June half of 1913 full dividends were forthcoming on all stocks down to and including the Four per Cent. Preference stock of 1889. Accompanying the dividend announcement is a statement showing in more detail than in the case of other companies the results of the past six months, according to which a falling off of £54,000 in gross earnings has been accompanied by a reduction of £21,000 in expenses, thus leaving a decline of £33,000 in net earnings. Miscellaneous income is £4,000 higher, and after paying an additional £14,000 in respect of rentals, Debenture and other interest, the net profit for the half-year is £43,000 lower. By the reduction in dividend £30,000 less will be distributed, and the balance carried forward is nearly £14,000 lower. How the results for the June half of 1914 compare with those for the June half of 1913 will be evident from the following, compiled from the official statement:—

	June half—1914.	1913.	Inc. or Dec.
	£	£	£
Estimated gross receipts ...	3,071,000	3,125,000	-54,000
Estimated expenditure ...	2,121,000	2,142,000	-21,000
Net earnings ...	950,000	983,000	-33,000
Miscellaneous income ...	69,000	65,000	+ 4,000
Net income ...	1,019,000	1,048,000	-29,000
Deb. and other interest ...	680,000	666,000	-14,000
Balance for Pref. ...	339,000	362,000	-43,000
Divs. on Pref. down to and inclusive of 5% of 1881 ...	327,438	327,438	—
Balance ...	11,562	54,562	-43,000
Dividend on 4% Pref. of 1889 ...	Nil	30,000	-30,000
Balance ..	11,562	24,562	-13,000
Brought forward ...	8,700	9,441	- 741
Carried forward ...	20,262	34,003	-13,741

To enable the position of the undertaking to be more readily appreciated it is necessary to refer to the profits of the whole year. For 1913 the balance, after paying all Debenture interest, was £866,000, full dividends were paid on all stocks down to and inclusive of the 1891 Preference, and 2 per cent. was distributed upon the Five per Cent. 1894 Preference. On the assumption that in the current half-year no change occurs in the net profit, the Company will have a balance of £823,000 available with which to pay the Preference dividends for 1914 down to and including the 1891 stock, together with about $\frac{1}{2}$ per cent. on the 1894 stock. To show how the results for 1914 would compare with those of last year were no change in profit to take place in the current half-year we append the following statement:—

	1911* £	1913 £	1912 £	Inc. or Dec. 1914 on 1913 £
Balance after meeting rentals, Deb. interest, &c. ...	823,000	866,000	757,000	-43,000
Divs. on Pref. down to and inclusive of 5% Pref. of 1881 ...	655,000	655,000	655,000	—
Balance ...	168,000	211,000	102,000	-43,000
Div. on 4% Pref. of 1889 ...	60,000	60,000	60,000	—
Balance ...	108,000	151,000	42,000	-43,000
Div. on 4% Pref. of 1891 ...	89,000	89,000	33,000	—
Do. % ...	(4%)	(4%)	(1½%)	—
Balance ...	19,000	62,000	9,000	-43,000
Div. on 5% Pref. of 1894 ...	16,000	62,000	—	-46,000
Do. % ...	(1%)	(2%)	Nil	—(1½%)
Balance ...	3,000	—	9,000	+ 3,000

* Exclusive of any expansion or contraction in profit in December half of 1914.

The Five per Cent. Preference of 1881 is quoted $103\frac{1}{2}$ and yields £4 11s. 8d. per cent., the Four per Cent. 1889 stock at $76\frac{1}{2}$ yields £5 7s. 5d. per cent., while if the full 4 per cent. is again forthcoming on the 1891 stock, now quoted $64\frac{1}{2}$, the yield will be £6 8s. per cent. The Five per Cent. 1894 Preference stock, which last year received 2 per cent and whose dividend for 1914 is uncertain, stands at $54\frac{1}{2}$, the Preferred at $20\frac{1}{2}$, and the Deferred at $9\frac{1}{2}$.

LONDON, BRIGHTON AND SOUTH COAST RAILWAY.

No data are available to show whether the decline in the dividend of the Brighton Railway is to be attributed to a shrinkage of profit or to the fact that an additional sum has been carried forward to the current half-year. The official announcement merely states that the rate of dividend for the past half-year is $2\frac{1}{2}$ per cent., which compares with $2\frac{1}{2}$ per cent. paid twelve months ago. Although the traffic statements for the first half of the year showed only a very slight increase in earnings, comparison of estimated receipts for the half-year with the estimates of the first half of 1913 indicated a satisfactory addition to revenue of about £52,000. Usually comparison of estimates is a good guide to the expansion or contraction in earnings, but whether in this case such comparison indicates the true course of earnings, or whether the apparent expansion of over £50,000 is due to a difference in the method of accounting, it is impossible to say. However, in view of so satisfactory a comparison and, further, of the fact that the balance brought into the half-year was about £4,000 higher, the lowering of the rate of dividend comes somewhat as a surprise. The reduction in the dividend means the distribution of some £13,000 less profit. Possibly the directors have been actuated in their decision by the uncertainties of the current six months, and have felt it wise to await the end of the year, when they will be in a better position to see how they stand before distributing the whole of the profits. Six months ago the Ordinary received a dividend at the rate of 8 per cent. Therefore for the twelve months to June last Brighton Ordinary has received $5\frac{1}{2}$ per cent., which compares with $5\frac{1}{2}$ per cent. paid for 1912-13 and with 5 per cent. for 1911-12. The equivalent dividend on the Deferred for the past year is $4\frac{1}{2}$ per cent., although no distribution is forthcoming upon this stock until after the close of the year. Brighton Ordinary stock now stands at 94, at which the yield is £5 10s. 4d. per cent. The Six per Cent. Preferred at 117 returns £5 5s. 3d. per cent.; while with the Deferred at 72 the yield is £6 1s. 5d. per cent. How the dividends of the past twelve years compare will be evident from the following statement:—

London, Brighton and South Coast Ordinary.												
	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half ...	8	8	8	7½	7½	7½	6½	7½	8	7½	7½	7½
June half ...	2½	2½	2	3½	3	2½	2½	2½	3½	3½	3½	3
Year ...	5½	5½	5	5½	5½	5	4½	5½	5½	5½	5½	5½
London, Brighton & South Coast Deferred Ordinary.												
Year ...	4½	4½	4	5½	4½	4	3	4½	5½	5	5	4½

HULL AND BARNSELY RAILWAY.

The June half of 1914 has not been a happy one for the Hull and Barnsley Railway, and the dividend for the period has been cut in half, having been lowered from 3 per cent. to $1\frac{1}{2}$ per cent. That so drastic a reduction has had to be made is due to labour troubles in the territory served which have tended greatly to reduce the tonnage of minerals needing to be carried. Practically the whole of the traffic of the Hull and Barnsley consists of minerals; hence any setback in that industry is at once felt by the Company. The troubles referred to consisted of a strike of Yorkshire miners, which broke out in April last, followed by a prolonged strike among the pit prop workers in Hull. A year ago no figures of earnings, expenses, and charges were published, only those of net profit being announced. On this occasion the Company has supplemented this information by publishing the approximate receipts, expenses, and net earnings, together with the fixed charges for the first six months of 1914. Gross receipts amounted to £369,000, which, judging from the traffic returns, are about £28,000 lower than a year ago, while expenses have been slightly higher. For the past six months the net profit amounts to £32,631, or to only about half that for the June half of 1913. How the profits of the past half-year compare with those for the first halves of the previous three years will be evident from the following statement:—

	1914	June Half 1913	1912	1911	Dec. 1914 on 1913
Net profit ...	£ 32,631	£ 64,847	£ 23,820	£ 45,795	— 32,216
Dividend ...	24,750	49,500	16,500	33,000	— 24,750
Do. % ...	(11%)	(3%)	(1%)	(2%)	— (14%)
Surplus ...	7,881	15,347	7,320	12,795	— 7,466
Brought forward ...	16,244	16,528	16,850	12,774	— 284
Carried forward	24,125	31,875	24,170	25,569	— 7,760

The dividend paid six months ago was at the rate of 4 per cent., against 5 per cent. for the December half of 1912, so that for the whole of the past year the stock has received only $2\frac{3}{4}$ per cent., in comparison with 4 per cent. paid for 1912-13 and $2\frac{1}{2}$ per cent. for 1911-12, a period in which the great coal strike occurred. Dividends for the past twelve years compare as follows:—

Hull and Barnsley.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half...	4	5	4	4 $\frac{1}{2}$	4 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2	1
June half	1 $\frac{1}{2}$	3	1	2	3	1 $\frac{1}{2}$	1	2	Nil	Nil	Nil	Nil
Year ...	2 $\frac{1}{2}$	4	2 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1	$\frac{1}{2}$

Hull and Barnsley stock is now quoted 53, and at this figure the yield from the $2\frac{3}{4}$ per cent. dividend is £5 3s. 9d. per cent.

LANCASHIRE AND YORKSHIRE RAILWAY.

THE rate of dividend of the Lancashire and Yorkshire Railway for the half-year to June 30 last has been reduced to 3 per cent. in comparison with $3\frac{1}{2}$ per cent. a year ago. Unfortunately, this Company has followed the procedure adopted by the North-Eastern Railway, and has not furnished any data which would enable an idea to be formed as to the course of earnings, expenses and profits during the first half of 1914. The only figures available are those of gross receipts, which, according to the Company's traffic statements, decreased for the first twenty-six weeks by about £90,000. Upon comparison of estimated traffics with the estimates of last year, however, the falling off in revenue is shown to be about £78,000. That this setback in earnings has occurred is, of course, attributable to the quieter times witnessed of late in the cotton industry, the fortunes of which are so closely interwoven with the prosperity of the Lancashire and Yorkshire. The reduction in the rate of dividends means the distribution of £47,000 less profit, so that it would appear that to some extent the Company has been able to meet the decreased receipts

by curtailing expenses. For the December half of 1913 the rate of dividend was $5\frac{1}{2}$ per cent. against 5 per cent. paid for the second half of 1912. For the year to June 1914, therefore, Lancashire and Yorkshire stock has received $4\frac{1}{2}$ per cent., or the same as for the previous twelve months. So low a dividend as that announced this week has not been paid in any June half-year since 1908, when a similar rate was forthcoming. With the price of the stock at $77\frac{1}{2}$ the dividend of $4\frac{1}{2}$ per cent. paid for the past year gives a yield of almost $5\frac{1}{2}$ per cent. For the past twelve years the dividends paid compare as follows:—

Lancashire and Yorkshire.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half...	5 $\frac{1}{2}$	5	5	5	4 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$
June half	3	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3	4	4	3 $\frac{1}{2}$	3	3 $\frac{1}{2}$
Year ...	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4

**BUENOS AYRES WESTERN RAILWAY.
DIVIDEND OUTLOOK.**

As its name implies, this Company serves the rich agricultural and pastoral districts of the western portion of the Province of Buenos Ayres. Here wheat, maize, barley, oats, hay, &c., are grown in large quantities; but the cultivation of wheat is by far the most important, and the cereal forms a big percentage of the freight traffic of the line. Unfortunately, last season's crops of both wheat and oats were seriously damaged by floods, and the 1913 maize crop was likewise a partial failure. The adverse effect upon earnings of these smaller harvests was accentuated by the fact that the previous season's wheat crop was transported much earlier than usual and instead of consignments extending well into the financial year 1913-14, practically the whole of the crop was carried before the beginning of July. The result has been a somewhat heavy decline in earnings almost throughout the year. At one time it was hoped that maize would help matters in the final months, but, unfortunately, this crop has been held up owing to heavy rains, and so far little benefit has been derived from what was at one time reported to be a bumper harvest. In the last three weeks of the year, it is true, there was some improvement in receipts, but the period closed with an aggregate decline of something like £426,000, or about 21 per cent. The total of the gross receipts amounts to approximately £2,480,000, in contrast with £2,906,000 in the preceding year, £2,423,000 in 1911-12, when business was seriously interrupted by the strike of enginemen, and £2,634,000 in 1910-11. The following table shows the course of earnings monthly since July 1, 1910:—

Course of Traffic Receipts since July 1, 1910.

Month		1913-14	1912-13	1911-12	1910-11
July	Crops Carried	£ 177,000	£ 182,000	£ 189,000	£ 174,000
August	Maize	216,000	187,000	169,000	161,000
September	"	141,000	259,000	212,000	194,000
3 months	"	534,000	628,000	570,000	529,000
October...	"	185,000	200,000	169,000	174,000
November	"	244,000	210,000	176,000	193,000
December	Wheat	211,000	302,000	240,000	282,000
6 months	"	1,174,000	1,340,000	1,155,000	1,178,000
January...	"	205,000	233,000	110,000*	215,000
February	"	242,000	261,000	187,000*	234,000
March	"	277,000	338,000	282,000	303,000
9 months	"	1,898,000	2,172,000	1,734,000	1,930,000
April	"	180,000	269,000	230,000	236,000
May	Maize	204,000	218,000	221,000	219,000
June	"	198,000	247,000	238,000	249,000
12 months	"	2,480,000	2,906,000	2,423,000	2,634,000

* Strike period.

In all respects the year must be regarded as exceptional, for not only were the crops poor, but the trade of the country was seriously affected by the universal monetary stringency; and general traffic, as well as the movement of passengers, have conse-

quently shown diminution. In the current year better results should be secured; for, whilst the depression in trade may, for a time, continue to check business, the larger crops, both actual and prospective, should provide the Company with heavy traffic for a considerable portion of the year. The maize crop now awaiting transportation is a good one, although smaller than at one time anticipated, and as soon as it can be moved from the farms to the railways a big improvement in earnings should be witnessed. Moreover, the outlook for wheat and oats is exceedingly favourable, the recent rains having greatly benefited the growing crops; and, although much may happen between now and the harvest, the position at the moment leaves nothing to be desired. The monetary pressure, too, is steadily passing away, and with less stringent conditions in the International Money markets trade may quickly revive in the Argentine and the business of the railway companies again show improvement.

However, the question at the moment is whether or not the Company will be able to maintain its dividend at 7 per cent. in respect of the past year. It is generally anticipated that it will. At the same time, it cannot be denied that to earn such a dividend a drastic cutting down of expenditure must be resorted to, and that the usual allocations to reserve and renewal funds will have to be greatly diminished, if not entirely suspended. Last year, it will be recollected, the dividend was barely earned, and the balance carried forward had to be curtailed by some £23,500, from £147,605 to £125,105. In the twelvemonth just concluded the Company has not only to face a heavy decline in receipts, but has also to meet a fairly large increase in capital charges, so that to earn anything like 7 per cent. on the Ordinary stock the pruning knife must be dexterously applied to working costs. In the six months to December 31, it may be recalled, a decline of £118,685 in gross receipts was accompanied by a reduction of £74,072 in working expenses, leaving the net earnings some £44,613 smaller than in the corresponding period of the previous year. The automatic conversion of £2,000,000 of Extension shares into Ordinary stock, which took effect on July 1, 1913, reduced the fixed charges for the half-year, but raised the sum payable on the Ordinary capital, with the result that after distributing the usual half-yearly dividend at the rate of 6 per cent. per annum the balance carried forward had to be lowered from £105,379 to £32,669. The following is the half-yearly statement:—

Half-Year to December 31.

	1913	1912	Inc. or Dec.	
	£	£	£	%
Gross earnings ...	1,244,888	1,363,573	-118,615	-8.7
Expenses ...	713,368	787,440	-74,072	-9.4
Ratio ...	(57.20)	(57.75)	- (0.45)	—
Net earnings ...	531,520	576,133	-44,613	-7.7
Miscellaneous ...	97,792	91,066	+ 6,736	+ 7.4
Net income ...	629,312	667,189	-37,877	-5.7
Charges, &c. ...	333,377	358,985	-23,608	-6.6
Profit for Ordinary ...	295,935	310,204	-14,269	-4.6
Ordinary dividend ...	388,371	352,430	+ 35,941	—
Rate per cent. ...	(6 %)	(8 %)	—	—
Balance ...	Dr. 92,436	Dr. 42,226	- 50,210	—
Brought forward ...	125,105	147,605	- 22,500	—
Carried forward ...	32,669	105,379	- 72,710	—

For the twelvemonth, interest and other charges, including dividend on the increased amount of Ordinary capital ranking, will probably require some £67,000 more than in 1912-13, for, against the saving in interest on the £2,000,000 of Extension share capital a larger sum will be needed for Debenture interest, whilst the payments to the Buenos Ayres Midland Railway under the working agreement will also be bigger than last year. With a falling off of £426,000 in gross receipts and an increase of £67,000 in interest charges the profit for dividend would be reduced to only £279,000, and there would be a deficit in earning the 7 per cent. on the Ordinary of

something like £516,000. The balance of £125,000 brought forward from 1912-13 would lower this deficit to £391,000. This sum, therefore, represents the necessary reduction in expenses if the 7 per cent. dividend is to be maintained. That the calculation may be followed we set out herewith the estimated figures for 1913-14, and add for comparative purposes the actual earnings, profits, &c., for the four preceding years:—

Buenos Ayres Western Railway.

	1913-14*	1912-13	1911-12	1910-11	1909-10
	£	£	£	£	£
Gross earnings ...	2,480,000	2,906,008	2,425,682	2,634,186	2,300,510
Expenses ...	1,270,000	1,559,515	1,339,517	1,392,318	1,300,317
Ratio ...	(51.21)	(57.11)	(55.22)	(52.86)	(56.52)
Net earnings ...	1,210,000	1,246,493	1,086,165	1,241,868	1,000,193
Miscellaneous income ...	227,000	227,285	182,937	179,551	183,296
Total net income ...	1,437,000	1,473,778	1,269,102	1,421,419	1,183,491
First charges, bonds, Debentures, &c. ...	360,000	347,498	345,550	307,751	323,328
Net profit for Preference ...	1,077,000	1,126,280	923,552	1,113,668	839,163
Div. on 5 % Preference ...	15,000	15,000	15,000	15,000	15,000
Balance ...	1,062,000	1,111,280	908,552	1,098,668	824,163
Div. on 4½ % Preference ...	115,000	114,855	114,855	114,855	114,855
Balance ...	947,000	996,425	793,697	983,813	709,308
Div. on 4 % Ext'n. shares ...	144,000	224,000	175,597	117,767	39,584
Net profit for Ordinary ...	803,000	772,425	618,100	866,046	669,724
Dividend on Ordinary ...	928,000	794,925	659,592	705,487	682,336
Per cent. ...	(7 %)	(7 %)	(7 %)	(7½ %)	(7 %)
Balance ...	125,000	Dr. 22,500	Dr. 41,492	Or. 160,569	Dr. 12,612
Brought forward ...	125,000	147,605	189,097	183,538	176,150
Balance ...	—	125,105	147,605	324,097	163,538
To reserve funds ...	—	—	—	135,000	—
Carried forward ...	—	125,105	147,605	189,097	163,538

* Estimated.

The strength of the position lies in the liberality with which the Company has in the past provided for renewals and betterments out of earnings. The average charge against revenue in the last five years has been something like £150,000 a year, and in 1912-13 the total allocation was no less than £207,000, representing a proportion to gross receipts of as much as 7.14 per cent. Details of recent renewal charges will be found in the following table:—

Renewal Outlays Charged to Expenses.

	1912-13	1911-12	1910-11	1909-10	1908-09
	£	£	£	£	£
Perm. way and works ...	139,633	31,218	137,430	82,128	90,000
Locomotives ...	22,200	6,074	28,743	26,812	17,000
Carriages ...	11,362	2,913	13,185	8,696	8,500
Waggons ...	34,171	8,652	38,833	34,784	8,500
Total ...	207,366	48,857	218,191	152,420	124,000
% of Gross Receipts ...	7.14%	2.01%	8.28%	6.62%	4.14%

By temporarily suspending the charge against revenue for special renewals the greater portion of the necessary reduction in expenses would be secured, and as the Company is well able to economise in many other directions there is little doubt that the requisite savings will be effected, and the dividend maintained. The policy suggested with regard to renewals is not only warranted by the circumstances of the case, the past year having been a quite exceptional twelvemonth, but it is justifiable in view of the fact that the Company has in hand a sum of no less than £729,000 in respect of renewals with which to carry on special works during the existing period of trade depression. Moreover, the total reserves of the Company amount to something like £1,880,000, of which nearly £1,000,000 constitutes general reserve, which can, partially at any rate, be utilised for the purpose of equalising dividends. The position is, therefore, quite sound, and there is no doubt that with the passing away of the trade stagnation a quick recovery in earnings and profits will be witnessed; and, as in the past, the Company should in future years not only earn 7 per cent. on its Ordinary capital, but should be in a position to again largely augment its reserve and other funds. Almost without a break the past 10 years has witnessed a steady advance in the wealth and prosperity of the Company, and throughout the period the dividend has never been less than 7 per cent. For the

purpose of showing the continuous and marked advance in the earnings and profits of the line since 1903 we give the following statement:—

Buenos Ayres Western Railway.

Year to June 30	Miles Open	Gross Earnings	Expenses	Ratio	Net Earnings	Net Profit for Ordinary	Dividend
		£	£	%	£	£	%
1913-14a...	1,792	2,489,000	1,270,000	51.21	1,210,000	803,000	7*
1912-13 ...	1,781	2,908,000	1,660,000	57.11	1,246,000	772,000	7*
1911-12 ...	1,659	2,425,000	1,339,000	55.22	1,086,000	618,000	7*
1910-11 ...	1,586	2,634,000	1,392,000	52.83	1,242,000	866,000	7½*
1909-10 ...	1,335	2,300,000	1,300,000	56.52	1,000,000	670,000	7†
1908-09 ...	1,305	2,297,000	1,270,000	55.28	1,027,000	741,000	7†
1907-08 ...	1,219	2,205,000	1,214,000	55.03	991,000	741,000	7†
1906-07 ...	1,111	1,995,000	1,122,000	56.25	873,000	668,000	7†
1905-06 ...	966	1,780,000	940,000	52.83	840,000	689,000	7†
1904-05 ...	966	1,514,000	732,000	48.33	782,000	637,000	7†
1903-04 ...	816	1,385,000	667,000	48.16	718,000	593,000	7†
1902-03 ...	732	1,180,000	562,000	47.63	618,000	495,000	7†

* Less income tax.
† Free of income tax.
(a) Estimated.

The securities of the Company have heavily fallen in value during the past twelve or eighteen months, and whereas the Ordinary stock at one time last year stood at 128½, the price now is 102½ only. On a 7 per cent. dividend basis the yield afforded is £6 18s. 11d. per cent. Such a return clearly indicates that the unfavourable factors in the situation are fully discounted in the price. The Preference issues are quite safe investments, affording yields at current quotations of over £4½ per cent. The Mortgage bonds of the Western Railway of Buenos Ayres can be bought to yield £4 16s. 5d. per cent., allowing for redemption at par in 1925. The Four-and-a-Half per Cent. Debenture stock, which may be regarded as practically gilt-edged, is at 91 only, and gives a return of as much as £4 8s. 5d. per cent.

We recapitulate the capital, prices, and yields afforded in the following table:—

Name	Amount £	Price	Dividend %	Yield £ s. d.
Western Ry. of Buenos Ayres 5 %				
Mort. bonds, redeemable 1925 ...	1,000,000	102	5	64 16 5
4 % Debenture stock ...	7,872,230	91	4	4 8 5
5 % Preference (£10) ...	300,000	11	5	4 11 11
4½ % Preference (£10) ...	2,552,340	9½	4½	4 13 9
4 % Extension shares, 1915 (£10)a	3,600,000	10½	4	(a)
Ordinary stock ...	13,747,660	102½	7	6 18 11
	29,072,203			

(a) These shares are entitled to dividends of 4 % until June 30, 1915, after which they will rank for dividend and in every way *pari passu* with the ordinary stock.

(b) Allowing for redemption at par in 1925.

CONSETT IRON COMPANY.

A QUITE satisfactory twelve months has been experienced by this well-known northern coal and iron Company to June 30, 1914, and the shareholders receive the excellent dividend of 30 per cent. In comparison with the previous year's results a substantial fall has occurred in profits, but the twelve months to June 30, 1913, were abnormally prosperous and hardly form a fair criterion by which to judge normal results. The profits secured for that year were the largest in the history of the Company, and the dividend was the highest ever paid. It is true a similar rate was distributed as far back as 1874, but that was on a much smaller capital. The Company, of course, took its fair share in the great prosperity experienced during that time in the iron, coal, and steel industries, and received benefit in a double direction—namely, a larger output and higher prices. Though the report is silent on the subject it is probable that during the twelve months just ended the exact opposite has been experienced, that is to say, the Company has suffered from a smaller output and lower prices. Consequently, the fact that it is able to maintain so large a distribution as 30 per cent. argues a quite satisfactory condition. The exceptional results secured in 1912-13 were very similar to those in 1900 and 1901, on each of which occasions a dividend of 50 per cent. was distributed.

Since that time, however, some factors have been brought into play materially altering the general conditions of the industry. It is, of course, well known that working costs have gone up very considerably. Not only have wages been on a higher scale than they were in 1900, but recent legislation has placed burdens on employers which they had not to face in the earlier year. During the last four years, for example, there have been passed the Miners' Eight-Hours Bill, the Minimum Wage Bill, and the National Insurance Bill, all of which have added to working costs. It must not be assumed that this has meant a net loss to employers, as benefit should undoubtedly have been experienced on the other hand by the securing of greater efficiency from the workers. Had it not been for the policy carried out by the board during recent years there is no doubt that these extra working costs would have been severely felt, and profits must have suffered considerably; but the directors have carried out a policy of introducing the most modern appliances in their works, and are making use of the most efficient processes of manufacture, thereby bring about a substantial reduction in working costs, so that extra charges in one direction have been offset by more economical working in another.

Though during the earlier period of its history the results secured by the Consett Iron Company were not of the most profitable character, for many years past now the Company has been in a very prosperous condition, earning large profits, and paying very substantial dividends. As an indication of the prosperity enjoyed, it may be pointed out that for at any rate a quarter of a century, the dividend with one exception has never been less than 10 per cent., the one solitary exception being for the twelve months to June 30, 1895, when the distribution was 9 per cent. Considering the times of depression that the industry has suffered during this period, it will be seen that for a Company to have consistently paid such large dividends on a not small capital is a feat of no mean order, and when account is taken of the large reductions in profits shown in the time of depression that followed the boom years of 1900 and 1901, when the Company paid dividends of 50 per cent. per annum, the prosperous condition of the concern is evident when it is seen that the dividend has not fallen below 20 per cent.

In order to appreciate the full force of the figures, however, it is necessary to add that during this period the issued capital of the Company amounted to as much as £1,250,000, of which £500,000 consisted of 8 per cent. Preference shares, the balance of £750,000 being Ordinary shares of £10 each, on which £7 10s. was paid up. Last year a change was made in the capital, and it was decided to make the Ordinary share capital fully paid up by calling up the unpaid amount of each share, and contemporaneously capitalising a corresponding amount of undivided profits by distributing it as a bonus on the Ordinary shares and applying it in payment of the call. In consequence of this the accounts for June 30 last show that the paid-up capital is now £1,500,000, of which £1,000,000 represents the Ordinary share capital and £500,000 the Preference share capital. At the same time the shares have been subdivided and both classes are now of a £1 denomination. Therefore, in comparing the dividends for the past two years it will be seen that the amount distributed for the past year of £300,000, which represents 30 per cent. on the present capital is equivalent to a distribution of 40 per cent. on the old capital, and, therefore, the shareholders are actually receiving an equivalent distribution of 40 per cent. for the past year, as against 60 per cent. for the twelve months to June 30, 1913.

The working profit for the past twelve months has amounted to £379,574, as compared with

£549,444 for the previous year, £398,915 for the twelve months to June 30, 1911, and £202,324 for the twelve months to June 30, 1910. Thus, though a substantial fall has occurred as compared with last year, the results are almost equivalent to those secured for the twelve months to June 1912, while they are nearly twice the amount made for the previous year. After the addition of rents, interest, &c., and deduction of income tax there is a net profit for the year of £404,755, as compared with £581,998. After payment of the Preference dividend there is a balance of £364,755, and after payment of the 30 per cent. dividend there remains £64,755, of which £5,408 is utilised for the purpose of extinguishing special expenditure on the plant during the year, and the surplus is added to the carry-forward, making it £62,605, as compared with £3,258 brought in, this latter item being exceptionally low owing to the deduction of £250,000 for the purpose of making the capital reorganisation already referred to. The result of the fall in profits is that practically no sums are set aside for betterment purposes.

In the following table we set out the manner of distributing the profits for each of the past seven years:—

Yr. ended June 30—	1914	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£	£
Net profit ...	404,755	581,998	427,007	338,501	221,327	243,579	374,020
Pref. div., 8% ...	40,000	40,000	40,000	40,000	40,000	40,000	40,000
	364,755	541,998	387,007	298,501	181,327	203,579	334,020
Ordinary div. ...	300,000 (30 %)	450,000 (60 %)	337,500 (45 %)	250,000 (33½ %)	168,750 (22½ %)	150,000 (20 %)	250,000 (33½ %)
	64,755	91,998	49,507	48,501	12,577	53,579	84,020
Special expenditure, &c. ...	5,408	61,297	44,888	47,676	11,324	44,294	58,302
	59,347	30,701	4,619	825	1,253	9,285	25,718
Brought forward	3,258†	222,557	217,938	217,113	215,860	206,575	180,857
Carried forward	62,605	253,258	222,557	217,938	217,113	215,860	206,575

† Balance after capitalizing £250,000.

We have on various occasions directed attention to the wise and careful management displayed in conducting the affairs of the Company; while very substantial dividends have been distributed, at the same time large expenditure has been made from profits on the property. As far back as 1897 it was pointed out that although the plant had not only been efficiently maintained, but had to some extent been renewed from time to time, it was considered that by gradual reconstruction it might be rendered capable of a larger output and much more economical working, and consequently it was decided to enter upon a complete scheme of reconstruction of works. This has been carried through without increasing the capital account of the Company, the whole of the sums required for the purpose having been provided from profits.

Since 1898 there had been set aside from profits a sum of £631,000 for reserves and works and cottages reconstruction accounts. Up to June 30, 1913, a total of £335,021 had been expended on this item. During the past twelve months a further sum of £69,431 has been so expended making a total expenditure of £404,452. There thus remains at the present time a balance to the credit of this account of £226,548. Up to 1911 the reserve, works construction, and cottages accounts were kept separately, but in 1912 the funds were merged into one amount. Last year it was announced that it had been decided to erect a bye-product coke oven at the Langley Park Colliery at which there would be 75 ovens with tar, sulphate of ammonia, crude and refined benzole plants. The erection of this plant is proceeding, and it is expected that it will be completed by the end of 1914. This modernisation of the plant is of the very greatest importance in view of the continued increase in costs to which reference has already been made, and the more economical working rendered possible thereby may possibly enable

the Company to offset at any rate a portion of the increased working costs. The outlook at the present time is even less favourable than it was twelve months ago. At that time the prices for coal and coke appeared satisfactory. Moreover, in regard to the steel trade, which is the special industry of the Company, this depends largely on the shipbuilding trade, which takes a large portion of the steel plates and sections manufactured. Twelve months ago the shipbuilding trade was still active, but it was becoming more difficult to keep the works going at full output. At present the tendency is for further depression both in the coal and iron and steel branches. Consequently, with falling prices and a probability of smaller outputs, the outlook is distinctly for a further fall in profits. It is, however, somewhat more difficult than usual to correctly gauge the situation. It is, of course, possible that current political events may cause a revival in the shipbuilding industry. It may also cause a renewed demand for coal which would have the effect of not only stopping the fall in prices, but place it at a higher level than has lately been witnessed. The immediate future, therefore, is quite uncertain, and until events become more settled a waiting policy on the part of investors is indicated. Apart from these special events it will of course be recognised that the Company occupies a strong position; it is in a prosperous condition and is well managed. The directors realise the importance of maintaining the works in a thoroughly modern condition, and apart from extraneous political considerations the Company should do well even during a period of moderate trade depression, while as was evidenced last year in a time of trade activity it is able to secure very large profits and pay a very substantial dividend. The £1 Preference share is quoted at about 1½, and on the basis of the 8 per cent. to which they are entitled the yield afforded at current prices is nearly 4½ per cent. These shares are, of course, a well-secured industrial investment, and may be recommended to investors satisfied with a moderate yield. The £1 Ordinary share is quoted at 3½. On the basis of last year's distribution of 30 per cent. the yield afforded is about 8½ per cent. It would scarcely be wise, however, to rely on the dividend being maintained. On the whole, however, the shares may be regarded as a quite satisfactory iron trade investment.

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
500,000	8 % Preference shares	1	37/6	8	4 7 6
1,000,000	Ordinary shares	1	3½	30	8 4 3

RHYMNEY RAILWAY.

The directors of the Rhymney Railway have announced a distribution at the rate of 8 per cent. per annum for the past six months against a similar rate a year ago, and the dividend for the past year remains unchanged at 9 per cent. on the Undivided Ordinary and at 5 per cent. on the Deferred Ordinary. The dividends paid on the Ordinary and Deferred stocks for the past twelve years have been as follows:—

Rhymney Undivided Ordinary.											
	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	10	10	9	9½	9½	8	7	7	6½	8½	8
June half	8	8	7½	9	9½	9	7	7	7	7½	8½
Year ...	9	9	8½	9½	9½	8½	7	7	6½	8	7

Rhymney Deferred.											
	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Year ...	5	5	4½	5½	5½	4½	3	3	2½	4	4½

Rhymney Ordinary is now quoted at 172½ and the yield from the 9 per cent. dividend is £5 7s. 2d. per cent. The Four per Cent. Preferred at 82 returns exactly 5 per cent., while at 92½ the 5 per cent. dividend on the Deferred gives a yield of £5 11s. 1d. per cent.

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The Society was founded in 1762 on a mutual basis, and has never employed agents or paid commission for the introduction of business. Up till 1899, valuations were made at decennial intervals, but since then they have been quinquennial, and the next is due at the close of the present year.

How profitable the Society's policies have proved to its members, and particularly to those whose contracts have been of long duration, may be illustrated by the results in policies which became claims by death in 1913. Such claims, inclusive of bonuses, under 123 policies, aggregated £300,746; and of that amount

£277,176 appertained to whole of life policies, under which the original sums assured amounted to £128,750. On these policies the sum of £5,854 had been previously paid in commutation of bonuses, so that the total amount of bonus was £154,280, which in itself exceeded by £25,530 the original sum assured. In the case of three policies the original amount of the policy was more than quadrupled by bonuses, in 19 more cases it was more than trebled, and in 38 more cases it was more than doubled, while more than two-thirds of the policies obtained bonus additions exceeding 50 per cent. of the original sum. This experience is by no means exceptional in the Equitable. Over more than a century the amounts of bonuses paid have in themselves exceeded the sums originally assured under whole of life policies becoming claims by death.

The last quinquennial valuation, on December 31, 1909, was made on a very strong basis, the O^m table of mortality being employed in combination with 2½ per cent. interest and a reserve of over 25 per cent. of the premiums for expenses and profits. Moreover, following the Society's continuous practice, nearly one half of the valuation surplus was carried forward as undivided profit, the amount brought forward in this way to the current quinquennium having been £483,124. These actuarial assumptions and provisions indicate unusual bonus-earning capacity. For example the actual expense ratio in 1913 was only about 6½ per cent., representing about one-fourth of the margin of premiums reserved, and the interest yield on the total funds after deduction of income-tax was about £3 18s. per cent., or £1 8s. per cent. more than had been actually anticipated. There seems every reason therefore to expect that the splendid bonus traditions of the Society will be well maintained at the investigation to be made on December 31, 1914.

The total assets in the balance sheet on December 31, 1913, amounted to £5,536,175, and after deduction of outstanding liabilities the funds amounted to £5,496,998, allocated as follows:—

Life assurance fund	£4,916,078
Sinking fund and capital redemption fund	19,496
General reserve (brought forward from last valuation)	483,124
Unappropriated interest on general reserve	78,350
	5,496,998

A note to the balance sheet points out that comparing aggregate book prices with market value of Stock Exchange and investment securities, there was a depreciation of £195,184 on December 31 last, but the amount, if any, which will require to be written off for the purposes of the quinquennial valuation will, of course, depend on market quotations at the close of the present year.

Some other features of the annual report for 1913 remain to be noted. The new life business amounted to £361,925, of which £106,500 was re-assured, the net amount retained at the Society's own risk being thus £255,425, as compared with £236,777 in 1912. The total net life premium income amounted to £208,683, in addition to which the sum of £44,962 was received as consideration for new annuities granted and a further £2,524 represented premiums on sinking fund and capital redemption policies. Endowment assurances for £7,632 matured by survivorship. The sum of £22,754 was paid for surrenders of policies, bonuses and deferred annuities, nearly equalling the amount of premiums which had been paid in respect of these contracts. Annuities of £17,864 were paid.

The Society grants all the usual forms of ordinary life and endowment assurances, as well as annuities and capital redemption policies, and also offers a number of attractive special schemes. These include provision for children's education; policies for children giving a number of options on attainment of a specified age under which the benefit may take the form of a cash payment or of a life policy subject to a very low rate of premium without the

necessity for medical examinations; pensions for old age, specially suitable to women workers; and provision for death duties, reduced rates for without-profit policies of £1,000 and upwards being quoted for this purpose. It is evident from the fact that there was a large increase in the amount received by the Society in 1913, as compared with 1912, as consideration for new annuities that more attention is being paid to the development of this section of the business. The Society is prepared in cases where it is not desired to sink the whole of the amount involved in the purchase of an annuity, to arrange (subject, of course, to appropriate adjustment of the rate) that a portion thereof shall be repaid on the death of an annuitant. Thus an annuitant of under-average health can arrange that the Society shall in any event pay out at least as much as it receives in purchase money.

A novel feature in the Society's system appears to be that policies are now granted to cover the risk of death during travel. In these cases medical examination is usually dispensed with.

As the Society employs no agents it depends for development on the disinterested efforts of its own members, and on the patronage of persons who act in the matter of life assurance upon their own initiative. There are not, proportionately to the number of assuring lives, very many people who do so, but no man can go far wrong in effecting a policy with this admirable Society, which deserves a larger amount of public support than it receives. In becoming a member of the Equitable, a new entrant obtains admission to a select body in which he may be certain that he will receive treatment worthy in every respect of the Society's appellation. Under its existing constitution, which is never likely to be altered so far as concerns the avoidance of the middle-man (so useful to the majority of other life offices as well as to the community generally), the Society can never expect to transact as large a business as the majority of its contemporaries, but the interests of its members do not suffer in this respect, so long as the amount of the new business is sufficient, as appears to be the case at present, to allow the continuance of action of laws of average, and to preserve the unimpaired vitality of the corporate body.

During the past year there has been a change in the administration, Mr. G. J. Lidstone having retired from the post of actuary and manager to assume a similar position with the Scottish Widows' Fund. The directors have been fortunate enough to secure the services of Mr. W. Palin Elderton, formerly of the Star Assurance Society, who enjoys a deservedly high reputation both as an actuary and as an experienced insurance official, as Mr. Lidstone's successor in these great and responsible posts.

BRITISH NORTH BORNEO COMPANY.

THE British North Borneo Company is developing its territory in quite a satisfactory manner and the revenue account shows increases under each heading. Naturally the items showing the greatest progress are those of excise, customs, and railway earnings. From the first-named there was received in 1913 a total of £67,325, or £15,609 more than in 1912. Customs receipts amounted to £72,927 as compared with £63,383, an increase of £9,544, while the railway earnings at £24,591 were £3,680 in excess of those for the previous year. The land revenue also at £8,946, showed an increase of £2,348. The chairman regards the customs as the best index of the progress of the State, the increase in 1913 under this head was over twice as much as either the increases in 1912 or 1911. In the past the Company has secured exceptional revenue from land sales, more especially at the time of the rubber boom, when large quantities of land were acquired by rubber companies, which resulted in exceptional revenue for the Com-

pany. Recognising, however, that the sum of £250,000 secured in this manner was abnormal, a substantial portion of the amount was carried to reserve for the purpose of equalisation of dividends in future years. The sales of land on a large scale have now practically ceased, and it is consequently to the ordinary surplus revenue that the directors are looking for dividends. Though the Company thus received considerable benefit by the sales of land, on the other hand, by reason of arrangements made with the subsidiary companies floated for rubber growing, the parent Company has, at any rate temporarily, locked up a large amount of capital, inasmuch as it has made advances to rubber companies by way of guarantee of dividends during the unproductive period of six years. These advances make up a total of £200,351. The amount is repayable out of the profit of the rubber companies after earning 6 per cent. on their paid-up capital, but having regard to the present condition of the rubber industry it seems probable that the repayment of the advances will take a fairly considerable time. It may be added that these guarantees run until 1916, and, consequently, the present amount does not represent the total sum of money that the North Borneo Company will have to provide.

Since 1909 the Company has paid a steady dividend of 5 per cent., which has partially been met by proceeds of land sales. In addition, however, it has been necessary to provide a further sum in order to permit of the maintenance of the 5 per cent. dividend for the past year. In accordance with a supplementary deed of settlement of the Company a revaluation of property took place in 1912; this revaluation showed an increase of at least £80,000 since the previous valuation. As on former occasions the amount has been carried to profit and loss account and treated as profit available for dividend. Had this not been done it would not have been possible to have maintained the 5 per cent. dividend for 1913 without drawing on the reserve fund, and as practically the whole of the reserve is necessary at present to provide for a heavy deficiency in the investments the reserve standing at £120,000, and the depreciation in investments at the end of the year being nearly £102,000, it was scarcely desirable to use the reserve for payment of dividend. Apart from this increase of revenue through land revaluation, and the exceptional amounts received from sales of land, it is satisfactory to find that the ordinary revenue shows steady expansion year by year. For 1904 the revenue, exclusive of land sales, was £97,940, by 1909 it had risen to £140,276, while for 1913 it was £234,075, or an increase of £37,000 over that for 1912. The revenue for the last 10 years, exclusive of land sales, has been as follows:—

Revenue, Exclusive of Land Sales.

Year	£	Year	£
1913	234,075	1908	127,463
1912	197,242	1907	127,486
1911	180,249	1906	112,765
1910	170,767	1905	109,942
1909	140,276	1904	97,940

To indicate the manner in which the profits of recent years have been distributed we give the following:—

	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£
Receipts in Borneo	210,197	176,269	159,466	221,284	236,322	148,017
Do. London	24,733	21,275	21,190	26,275	6,866	4,828
Inc. in valuation of territory	—	80,000	—	—	8,823	15,000
Total	234,930	277,544	180,656	247,559	252,011	167,845
Less—Expenditure in Borneo	115,545	106,094	96,746	95,107	88,121	87,335
Do. London	9,688	9,453	9,810	7,752	6,882	7,311
Depreciation and adjustment of exchange	10,310	11,357	11,514	13,328	8,824	8,054
Sundry writings off	44,728	9,935	—	—	—	—
Debiture & bond interest	22,500	11,250	—	12,227	22,839	23,506
Surplus	32,159	129,336	62,833	117,089	124,475	42,168
Dividend	—	92,209	91,962	88,967	56,175	35,147
	(5 %)	(5 %)	(5 %)	(5 %)	(5 %)	(4 %)
Reserve	—	—	16,000	55,000	53,000	—
Balance	—60,050	37,127	—45,129	—28,888	18,300	6,021
Brought forward	87,496	50,369	95,498	122,376	104,076	98,055
Carried forward	27,446	87,496	50,369	95,498	122,376	104,076

It may be recalled that the area of the property administered by the Company is about 31,000 square miles, or 20,000,000 acres. The Company possesses all administrative rights over this area under the suzerainty of Great Britain. It is almost entirely an administrative concern, so that its revenue is chiefly made up of administrative receipts, taxes, export duties, postal services, coinage, &c. The total authorised capital is £2,000,000 in £1 shares, and there have been issued 1,844,184 shares, which are fully paid. The following are the chief assets of the Company:—

1. Sovereign rights, under which the Company is empowered to frame and enforce laws, to fix Customs and other tariffs, and to levy taxes for revenue purposes within the State of North Borneo.
2. Territorial rights over the whole of the State, the area of which is estimated at some 31,000 square miles (about the size of Ireland), and a large portion of which is suitable for the cultivation of rubber and high-class tobacco. The coast-line of the Company's territory, which is approximately 900 miles in extent, is indented with several excellent harbours.
3. The marketable timber on the land—estimated at not less than 50,000,000 tons.
4. One-fifth share of the profits of the British Borneo Exploration Company, Limited, which has been granted the exclusive rights for 50 years to search for minerals on condition that £10,000 per annum is spent on prospecting.
5. A fully equipped metre-gauge railway 130 miles in length.
6. About 800 miles of telegraph and telephone lines.
7. Numerous public works, such as Government offices, officers' and police quarters, hospitals, jetties, &c.

The lands are valued in the books at £1,036,415, which works out at a price of about 1s. per acre, which it must be acknowledged is a very conservative figure. Sir West Ridgeway, the chairman of the Court of Directors, in his speech to the shareholders year by year gives very full details of the work of the Company, affording the shareholders information on the various development works undertaken by the Company. Sir West Ridgeway's speech at the last meeting, held on July 14, was given in full as a supplement to THE STATIST of July 18.

Any intending investors should obtain a copy of the speech, a study of which will fully repay them. As regards rubber the chairman pointed out that the exports in 1913 amounts to 1,023,283 lb., as against 411,070 lb. in 1912, showing an increase of 612,213 lb. The area under rubber is 26,344 acres, as compared with 25,607 acres at this time last year. Steps are being taken to carry out a vigorous exploitation for obtaining oil. There are two groups at work in the territory, the Nederlands Colonial Petroleum Company on the mainland and the Royal Dutch Petroleum Company on the island of Sebatik on the extreme south-east of the State of North Borneo. With regard to the former two wells have been sunk in the Klias Peninsula, one reaching to a depth of 1,090 feet and the other to a depth of 1,011 feet. In both wells traces of oil have been found. Further development work is being undertaken by the Nederlands Petroleum Company, and the Royal Dutch Company has also found traces of oil in its well.

In 1913 the exports of State-grown tobacco from the territory exceeded the figures of 1912 by 4,460 bales; a crop of 1913 is still in process of sale on the Amsterdam market.

Another industry from which substantial benefit is expected in the future is that of coal. The total output for 1913 was 56,060 tons. The Company which is developing the coal industry will have to reconstruct, and in the meantime the North Borneo Company has continued to afford financial assistance.

There is one other industry which is about to be strenuously exploited, and from which very substantial returns are anticipated, this being opening up the enormous possibilities connected with the vast forests of North Borneo. A thorough inspection of these forests is being carried out, and it is expected that the results in the development of the timber trade will be to a surprising extent. Sir West Ridgeway thus referred to the question: "Tentative inquiries have satisfied us that we could to-day dispose of a million railway sleepers in North China alone, if we were in a position to supply them. North China alone is ready to absorb all the timber of every description that we can put out for several years to come, and it is merely a question of putting it on the market at a price that will enable it to compete successfully with the timbers of Japan, the Philippines, and other countries. This we believe we see our way to do. I have laid stress on the North China trade not by any means because it is our only market, but because by getting a footing there we shall bring North China into closer touch with our territory, and so stimulate the flow of settlers, which is of such urgent importance to us. Our forests are an asset of vast importance, and of a value which is yearly increasing as the visible timber supplies of the world are proving more and more inadequate to meet the ever-growing demand. Our territory is most centrally situated for the great markets of the East, and the possibilities may be gauged by a brief study of what has already been accomplished by Burma, by the Malay States, by the Philippines, and by Japan. Forestry work in Borneo has hitherto been necessarily conducted in a somewhat haphazard way, owing to the absence of an expert staff to control and advise. The time is now ripe for a systematic development of these neglected resources, and we anticipate that the policy we are about to embark on will result, not only in enhancing the value of our standing timber as an asset, but, after a few years, in very substantially increasing the Government revenue from forest sources. This, too, we hope to effect without adding to the burdens now borne by our timber merchants. On the contrary, we hope, by active and sympathetic co-operation between Government and the timber merchants, to assist the latter to our mutual advantage."

Beyond these industries there are others awaiting development. Moreover, as the Chairman pointed out, new sources of revenue, or rather the improvement of sources of revenue, not sufficiently utilised at present, are in sight; for instance, a large increase of revenue is expected from the land department which has been reorganised. A further direction from which revenue is anticipated is from the cultivation of the coconut, and it is hoped to attract capital for the purpose of carrying on this cultivation.

In February last the Company made an issue of £500,000 Four-and-a-Half per Cent. First Mortgage Debentures, the money being required to meet the outlay for development purposes generally. A Debenture issue was necessitated by the practical impossibility of realising any of the Company's investments, such realisation would have entailed a loss of over £100,000. The money has, of course, not all been used, and in the meantime the unissued portion is earning interest at the rate of about 4½ per cent. The directors anticipate that the revenue will increase to a sufficient extent as to enable the interest to be paid on both Debenture issues and also provide for the usual 5 per cent. dividend. Sir West Ridgeway at the close of his speech to the shareholders summed up the position as follows: "I hope you will agree with the Court that the prospects of the Company are highly satisfactory. There is no doubt that the prosperity of the territory has increased, and is still increasing in a remarkable way. We claim that this is the result of the policy which the Court, with the approval of the shareholders, have adopted and

are so vigorously enforcing—namely, the policy of development. This policy is based on the principle that where there is no development there can be no progress, and, consequently, without the development your dividend cannot be enhanced or indeed maintained." He further argued for the continuance of an active development policy by reason of the fact that failure to do its duty would be followed by cancellation of its privileges. It will, of course, be recognised that even with an active development policy thoroughly carried out progress will be comparatively slow. But given sufficient patience shareholders should eventually reap a rich reward. The country is apparently a rich one, and the territory is well organised and managed, so that with a sufficient supply of capital available for carrying out a thoroughly active policy of development the future should give a rich harvest. Consequently, while there is a certain amount of disappointment to be faced with regard to the rubber industry, and it may be some time before the Company receives back the sums advanced to subsidiary rubber companies, yet the general progress should be satisfactory, even should the rubber industry not recover, but as there is every reason to anticipate that recovery in this important industry will take place shareholders should regard the future with equanimity even though it calls for the exercise of a certain amount of patience. To investors who recognise the potentialities and are willing to wait a certain amount of time before expecting ample returns the £1 shares of the Company may be recommended. They may be obtained at about £3 4s., and on the basis of a 5 per cent. dividend give a return of £6 13s. 2d. per cent. As an investment of a lock-up character they have distinct attractions. On the Debentures a yield of about 8½ per cent. may be obtained.

Amount.	Description.	Par.	Price.	Div.	Yield.
£		£	£	%	£ s. d.
1,000,000	4½ % 1st Mort. Debs. ...	—	£8½	4	5 1 7
1,344,664	Ordinary Shares...	1	3	5	6 13 2

RAPHAEL TUCK AND SONS.

A SLIGHT set-back has been experienced by this Company for the twelve months to April 30, 1914, the profits only reaching £33,117, as compared with £41,992 for the previous year. As a matter of fact, during the 13 years that the Company has been in existence on only two occasions have the profits shown a smaller figure than that recorded for the past twelve months. At the meeting Sir Adolph Tuck, the chairman, went fully into the causes for this temporary check. It is due to an increase in expenditure and a decrease in the volume of trade. The decrease in volume of trade extended over a considerable area. "Commencing, though only to a trifling extent, with the English Company, with its trade throughout the United Kingdom and overseas, it extends to our German Company, which has charge of our trade throughout the German and Austrian empires, and also to the Paris house responsible for the business in France, its possessions and neighbouring French-speaking countries. America and Canada, too, although operating as an entirely separate corporation, with whose balance sheet we are not concerned to-day, is responsible, in an indirect way for, as a large consumer of the products of the English Company, the diminished general trade there during the past year, which is within everybody's knowledge, has naturally led to a falling-off in its own purchasing powers of our English products."

As regards the expenditure, the increase in which is more responsible for the reduction of profits than any actual shrinkage in trade, it has been caused partially by heavy preliminary outlays for future business, and largely by the issue of 300,000 retail catalogues illustrating the publications of the various departments, this one item alone representing an outlay of upwards of £3,000.

The Company was formed at the end of 1901 to take over and extend the business of Raphael Tuck and Sons, Limited, a private Company of fine-art picture publishers of London and Paris, established by Mr. Raphael Tuck in 1866. In the prospectus the profits for the previous five years were set out in detail varying between a minimum of £31,768 and a maximum of £45,647, showing an average of £41,880, which was taken as a basis for future results. For the first six years this estimate was regularly exceeded, but since then the results have fallen short of the estimate partly owing to labour troubles and partly to a general depression in trade succeeding the American crisis at the end of 1907. But from 1909 to 1913 profits showed a steadily upward tendency; but, as already indicated, for the past twelve months they have fallen off by £8,800, as compared with the results to April 30, 1913. Though such a fall has occurred, it has been possible to maintain the Ordinary dividend at 6 per cent.; but whereas twelve months ago a sum of £10,000 was carried to reserve, this year no such allocation is possible, the surplus of £1,117 remaining after payment of the dividend, which is added to the carry-forward, bringing it up to £6,619.

In the following table we set out the manner of distributing the profits made by the Company for the past five years:—

	Year ended April 30 - 1914	1913	1912	1911	1910
	£	£	£	£	£
Trading account, balance, interest, &c.	33,117	41,992	36,489	35,107	33,336
Directors' fees	3,250	3,250	3,000	3,000	3,184
Net profits	29,867	38,742	33,489	32,107	30,152
Preference dividend, 5½ %	13,750	13,750	13,750	13,750	13,750
Ordinary dividend	15,000	15,000	15,000	15,000	15,000
	(8 %)	(8 %)	(8 %)	(8 %)	(8 %)
To general reserve	—	10,000	5,000	2,500	—
	1,117	— 8	— 261	857	1,402
Brought forward	5,502	5,510	5,771	4,914	3,512
Carried forward	6,619	5,502	5,510	5,771	4,914

There are three reserve accounts in all, the capital reserve amounting to £8,845, the special dividend reserve reaching £40,545, and the general reserve, which is £48,000. Including the carry-forward undivided profits total £104,000. The total assets are valued at £636,338, and of this copyrights, patents, and goodwill are valued at £240,732, which is a somewhat large proportion. This item represents practically eight years' purchase of the profits. We have previously pointed out that it is desirable that this item should be steadily reduced year by year. The chairman claims that the figure in reality becomes more valuable year by year. Nevertheless, even making full allowance for such a claim, the financial position of the Company would be greatly strengthened were all intangible assets wiped out from the books. The Company has now practically completed the first three months of its new financial year, and Sir Adolph Tuck states that the directors "have every reason to be satisfied with the results of these three months, which have brought us a capital crop of orders from far and near." On the whole, therefore, it may be expected that, assuming nothing unforeseen occurs, the results for the current year will show an improvement on those for the year just ended, and the Company should, therefore, be able once again to add to its reserve fund. The £1 Ordinary share is quoted at 3½, and on the basis of a 6 per cent. distribution the yield afforded is over 7½ per cent. The share may be regarded as a satisfactory industrial investment of a somewhat speculative character. The £5 Preference share is quoted at 4½, at which price the yield afforded is nearly 5½ per cent. The Preference dividend last year was covered more than twice over, and there was a surplus of £16,117 behind it. We recapitulate the capital prices, dividends, and yields afforded.

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
250,000	5½ % Omm. Pref. ...	5	4½	5½	5 14 3
250,000	Ord. Shares	1	3½	6	7 13 8

DISTINCTIVE SYSTEM OF ASSURANCE.

**LOW PREMIUMS. LOW EXPENSES.
LARGE ULTIMATE BONUSES.**

FUNDS EXCEED £15,000,000.

SCOTTISH PROVIDENT INSTITUTION.

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CITY LIFE ASSURANCE CO., LIMITED.

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Accumulated Funds and
Reserves exceed £650,000.

THE PRINCIPAL OBJECT of the Company, apart from the ordinary forms of LIFE ASSURANCE, is to enable Policyholders to Purchase House Property, so as to enable them to become the Owners of their own Homes.

**Advances already made exceed
£1,500,000.**

ADDITIONAL AGENTS WANTED.
Prospectuses and Terms on Application.
M. GREGORY, Managing Director.

LONDON & MIDLAND Insurance Company, Limited.

ESTABLISHED 1859.

The Oldest Independent Fire
Office in the British Empire.

Head Office: 39/41 NEW BROAD STREET, LONDON, E.C.

THE CONSOLIDATED

Assurance Company, Limited
ESTABLISHED 1903.

Subscribed Capital £500,000
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FOR REINSURANCE BUSINESS
BY TREATY OR OTHERWISE.

FIRE—LIFE—ACCIDENT, &c.

Fire and General Departments.

Registered Office and Life Dept.

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Manager: J. HERBERT E. LANE.

Actuary and Secretary:

CHAS. WINDETT.

Commercial.

THE WHEAT POSITION.

THE wheat market has been very firm during the past fortnight, and prices have advanced considerably, Australian being 4s., and other descriptions 3s. 6d. to 4s. 6d. per qr. dearer. Up to Wednesday the principal causes for the improvement in prices were the more or less unfavourable crop reports from Russia, Roumania, and Canada, combined with the political uncertainty and anxiety. In the South of Russia some damage has been done by heavy rains during harvest, whilst in other parts of the country a long spell of drought has caused a considerable deterioration in the crop outlook. In Roumania very unsettled weather has reduced the expected yield from about an average to 30 per cent. below an average. In Canada, and to a lesser extent in the United States, a long spell of great heat has seriously affected the crop, and in the former country the outturn is

expected to be fully 25 per cent. less than last year. In the United States the spring wheat is now estimated at 250 million bushels, against 275 million bushels a month ago.

The advance caused by these unfavourable crop reports was accentuated on Wednesday, when it became known that Austria had declared war against Servia. The American markets advanced sharply, and there was an immediate response from Europe. Prices have fluctuated considerably since Wednesday, and are likely to do so until it is settled whether the war will be confined to Austria and Servia, or whether it will extend, and Russia and other countries become involved.

If the war be confined to the two countries—viz., Austria and Servia—it would have little effect, so far as supplies of wheat from other countries are concerned. If, however, the big Powers join in the war, the whole position is altered at once. Apart from North America, the only country in a position to ship really large quantities of wheat during the next five months is Russia. The Roumanian crop is a poor one. India has much less than usual to spare, owing to the shortage in the last crop, whilst Australia and Argentina have already exported the greater portion of their surplus; in fact, the latter country scarcely offers at all. America is reported to have sold about 12 million qrs. of wheat for shipment during July and August and September to Europe, but even if this large quantity is exported, a considerable amount of wheat will be required from other countries, so that it will be at once seen how serious the position will be if Russia is prevented from exporting.

The shipments to date, as shown in the tabular statements printed below, have been very large, but the requirements have been also so large that stocks in most European countries are moderate to small.

Wheat and Flour Shipments to Europe.

	Total 51 Weeks since Aug. 1, 1913 Qrs.	Total Same Period 1912-13 Qrs.	Total Same Period 1911-12 Qrs.
United States and Canada	29,230,000	27,370,000	17,855,000
Argentina and Uruguay	3,280,000	12,550,000	9,485,000
Russia and other Black Sea ports	20,915,000	12,645,000	9,340,000
Danubian	7,120,000	6,233,000	9,155,000
India and Persia	3,580,000	7,470,000	6,485,000
Australasia	6,045,000	4,295,000	4,815,000
Sundries	1,135,000	1,190,000	1,650,000
Grand total	71,305,000	71,750,000	59,285,000
Total for U.K. and "orders"	28,580,000	32,555,000	29,510,000

In connection with the trouble between Austria and Servia, it may be pointed out that, whereas the Dual Empire usually grows sufficient wheat for home consumption, this year's crop is one of the smallest for many years, and, following on the small crop of 1913, necessitates an import of 4 to 5 million qrs. of foreign wheat. Stocks of old wheat are quite small, but, as is the case with other European countries, the harvest has only recently commenced, so that supplies of native wheat are larger than would be the case at any other time of the year. The production of wheat in France and Austria this year, although well below the average, is sufficient to satisfy home requirements for fully nine months, in Italy for about eight months, and in Germany also for about eight months. In the United Kingdom this year's crop promises to be a good average—viz., about 7½ million grs., which would necessitate an import of foreign wheat of about 27 million qrs.

As will be seen from the following tabular statement, present indications are for a world's wheat crop about 30,500,000 quarters smaller than last year, with a probability of the deficiency being larger rather than smaller. As previously stated, if last year's Russian crop was within 15,000,000 quarters as large as officially estimated, the reserves of old wheat in that country would make up for a part of the shortage in this year's total yield. On the other hand, it must be remembered that the world's consumption augments at the rate of about 5,000,000 quarters per year, owing

to the natural increase of the population; this is apart from any increase in those countries where wheat is gradually taking the place of rye, as this increase is probably balanced by meat taking the place of wheat to some extent, the general level of living being probably higher than ever before.

Wheat (In Quarters of 480 lb., 000's omitted.)

	1914	1913	1912	1911	1910	1909
	Qrs.	Qrs.	Qrs.	Qrs.	Qrs.	Qrs.
*Austria ...	8,000	8,600	8,900	7,500	7,500	7,300
†Hungary ...	17,500	21,100	23,000	24,000	22,700	14,200
Belgium ...	1,800	1,600	1,900	1,800	1,650	1,750
Bulgaria ...	6,000	6,800	7,000	8,500	7,100	4,600
Denmark ...	500	500	450	500	550	500
France ...	37,000	39,900	41,800	40,300	31,500	44,500
Germany ...	20,500	21,400	20,000	18,700	17,700	17,200
Greece ...	700	700	700	750	650	750
Holland ...	700	800	700	700	550	750
Italy ...	21,600	26,100	23,800	24,000	19,200	23,800
Portugal ...	900	1,800	800	1,000	800	700
Roumania ...	8,000	10,300	11,100	12,500	13,400	6,900
Russia ...	95,000	119,500	90,500	67,000	102,800	97,600
Servia ...	1,500	1,500	1,700	1,900	1,650	1,800
Spain ...	15,500	13,900	13,700	18,500	17,200	17,200
Sweden ...	900	1,100	900	1,000	900	800
Switzerland ...	400	450	400	500	350	550
United Kingdom...	7,400	7,100	7,100	8,000	7,200	7,900
Total for Europe...	244,000	281,950	251,150	237,150	253,300	248,800
Algeria and Tunis...	4,000	5,300	3,000	5,500	5,700	5,100
Argentine Repnble	17,000	14,000	21,000	20,700	18,200	18,500
Australia...	13,000	13,500	12,000	9,900	13,100	12,400
Canada ...	24,000	23,500	28,000	27,000	18,700	21,000
Chile...	2,000	2,000	2,500	2,200	2,300	2,300
Egypt ...	4,000	4,000	3,600	4,700	4,000	3,900
India ...	39,000	41,700	45,800	46,300	44,600	35,370
U.S. America ...	113,000	95,400	91,000	78,000	79,400	88,000
Uruguay ...	1,200	1,200	1,200	1,200	1,300	1,250
Japan ...	2,800	3,000	3,000	3,100	2,700	2,800
Total out of Europe	220,000	212,600	211,100	198,600	190,000	182,620
Grand total ...	464,000	491,550	462,550	435,750	443,300	437,420

* Including Bosnia and Herzegovina. † Including Slavonia and Croatia.

If, unfortunately, the war should develop into one between the Great Powers of Europe, prices will advance without a doubt to a very high level. It is, therefore, to be sincerely hoped that the trouble will be confined to Austria and Servia.

AMERICAN COTTON.

Liverpool, Wednesday.

THE Cotton Exchange, like other markets, has fallen under the shadow of the menacing political situation, and prices in consequence have broken suddenly. To-night's closing rates show a decline of 39 points for near months, while distant positions have been less pressed for sale, and are only 15 points lower than when we last wrote.

The outbreak of hostilities between Austria and Servia, and the fear that a general European conflagration may follow, has rendered normal market influences of very secondary importance. The possibility of this country eventually becoming involved in war, with the ensuing dislocation in trade, dear money, and so forth, has made holders of spot cotton anxious to realise. Finding it difficult to dispose of their stocks quickly on spot terms, they have tendered freely against the current month's delivery. The same reasons which have induced importers to tender have made taking up unattractive to market operators, who, rather than add to their commitments in the shape of spot cotton, have sold out their interest in summer months. This has left the July tenders, which for the month amount to 110,000 bales, to be taken charge of by the clique who are supposed to be running the position, but despite its willingness to accept, so far, all the cotton declared, the weight of old crop-selling has been so great that the premium of July to August over January to February, which a fortnight ago was 57 points, has now narrowed to 33 points, with little prospect of widening unless spinners can be induced to enter the market and buy freely.

Apart from politics and the narrowing difference between this crop and next, the general situation shows little change. Droughty conditions still prevail

in Texas, and though scattered showers have given some little relief, and have suggested a break up of the drought, later advices report clear warm weather and the plant suffering. From North Texas we have more favourable reports, and east of the Mississippi accounts are quite favourable. As the season approaches its end the statistical position is becoming less bullish. The crop which earlier in the season seemed to be 14½ million bales maximum, now seems likely to reach nearly 15 million bales; while spinners' takings, which at the end of the year were over 450,000 ahead of the previous season, and pointed to a consumption of 15 million bales, have latterly contracted, and are now less than 100,000 bales in excess of the same date last season. It now looks as if we ought to add half a million bales to an estimate of the crop, and adopt 14½ instead of 15 million bales as our estimate for consumption.

New Issues.

BRITISH UNION OIL COMPANY, LIMITED.

Applications are invited for an issue of 1,500,000 Six per Cent. Cumulative Participating Preference shares of £1 each at par in the British Union Oil Company, Limited, a Company formed with a capital of £6,000,000, divided into £5,000,000 of Preference shares and £1,000,000 of Deferred shares, for the purpose (a) of acquiring by direct subscription at par and exchange of shares at par a large interest and the controlling vote in the Union Oil Company of California, and of supplying the Union Oil Company during the period ending on December 31, 1916, with upwards of £2,500,000 of new cash capital; (b) of forming subsidiary companies to provide for the transportation and sale of Californian oil, including the Union Oil Company's products and for the establishment of distributing depôts throughout the world, taking advantage of the opportunities afforded by the opening of the Panama Canal of reaching markets which have hitherto been closed to Californian oil.

In addition to their 6 per cent. cumulative rights the Preference shares are entitled to have distributed among them 50 per cent. of the balance of the profits remaining after payment of such dividend. The Union Oil Company is one of the largest oil producers in the State of California, and its merchandising, transportation, and refining business is the second largest on the Pacific Coast. It owns or controls oil rights of upwards of 200,000 acres of land distributed over all the known oil areas in the State of California. It also owns or controls approximately 650 miles of pipe-lines. It has large contracts with the United States Government, the Canadian Pacific, the Northern Pacific, and other railway and large industrial enterprises. The operations of the Company and its subsidiaries for the past six years are as follows:—

Year	Crude Oil Sold Barrels	Crude Oil Delivered to Company's Refineries Barrels	Sales of Crude Oil and Refined Products \$
1908 ...	2,681,246	2,514,943	8,824,118 00
1909 ...	8,486,217	2,639,423	9,071,828 74
1910 ...	9,162,601	4,334,639	10,813,072 12
1911 ...	13,618,497	6,487,513	14,800,224 52
1912 ...	14,538,951	6,370,265	17,219,821 23
1913 ...	16,442,816	6,387,799	20,230,680 37

Approximately one-third of the gross volume of the business is refined products, and about two-thirds are in the sales of crude oil for fuel purposes. Its storage tanks have an aggregate capacity of over 13,000,000 barrels, and distributing stations are maintained at various places. The total valuation of the Company's assets is \$97,462,550, or practically £20,000,000, against which the Company's bonds and note issues and other liabilities, exclusive of capital, amounted at the end of last year to \$16,900,080, or about £3,400,000. The profits for the past six years are set out in detail and give a total of £3,138,151, of which £2,085,058 was paid away in

dividends, or an average rate of 6 per cent. per annum, leaving undistributed a balance of £1,053,093, which on the average capital for the period works out at an additional 3 per cent. per annum. The average yearly profit is more than sufficient to provide the fixed 6 per cent. on the Preference shares, including the present issue, while the additional working capital to be provided is anticipated to afford a sufficient increase so as to enable a substantial addition to be made to the fixed dividend. The chairman of the Company is Earl Grey, while other important directors are Lord Pirrie, Mr. Thomas Royden, and Mr. Andrew Weir. Naturally, profits will fluctuate with the price of oil, and, as there is a likelihood of a further fall in price, it is possible that profits may not quite reach the average of the last two or three years. Nevertheless, making full allowance for this in view of the substantial nature of the interests behind the new Company, the shares may be regarded as an attractive oil venture.

BOOTS PURE DRUG COMPANY, LIMITED.

THIS Company is offering for subscription 150,000 £1 Seven per Cent. Debenture Preferred Ordinary shares at the price of 24s. 6d. per share. The Debenture shares are entitled to a fixed non-cumulative 7 per cent. dividend, and rank after £900,000 of prior issues of capital. The business of the Company was carried on as a private concern up to 1883, when it was formed into a private limited Company. In 1892, mainly with a view of leaving the Company to develop freely the manufacturing and import branch, it was decided to form the then existing retail portion of the business into an associated Company under the title of Boots Cash Chemists (Eastern), Limited. Since that time three other associated companies have been formed. The present Company holds investments in the association companies to the extent of £66,573. All the associated companies purchase their supplies from the parent Company under mutual arrangements, and as these subsidiaries have more than 550 branches, it will be recognised that there is a satisfactory field of operation for the parent Company. The total paid-up capital at March 31 last was £974,700, and the undivided profits, including reserves and depreciation fund, amounted to £427,143. Goodwill stands in the books at £45,329. The profits for the past three years are set out in detail, and show an average of £104,895. Dividends on prior issues amount to £61,729, so that on the average profit there is a margin of over £43,000 available for the £10,500 required for dividend on the present issue. This, of course, is without taking into account the additional profit that the new capital will bring in. It is pointed out that the profits have shown a progressive advance every year for the past ten years. This being the case, we would suggest that in future issues of capital the details over a longer period than three years should be given. Assuming the continuance of the present good management, which has undoubtedly built up a successful business, the share may be regarded as an attractive industrial venture.

BOOTS CASH CHEMISTS (SOUTHERN), LIMITED.

Subscriptions are invited for an issue of 150,000 C Preference shares of £1 each in Boots Cash Chemists (Southern), Limited, at the price of 23s. per share. The C Preference shares rank after A and B Preference shares, of which £275,000 in all have been issued and are entitled to a fixed cumulative dividend at the rate of 6 per cent. per annum. Out of the total capital issued, amounting with the present issue to £615,000, the Ordinary share capital amounts to £40,000 only. This is held by Boots Pure Drug Company, Limited, which guarantees the 6 per cent. dividend on the present issue until June 30, 1919. The present issue is made for the purpose of replacing sums already expended by the Company, and for

further extensions and improvements. The profits for the past three years have been £39,066, £42,393, and £47,133 respectively. After deducting dividends on the existing Preference shares there was a balance last year of £21,633 available for the £9,000 required for dividend on the present issue. It will thus be seen that there is a substantial margin behind the present shares on the figures of last year. Naturally, however, the new capital may be expected to contribute its fair share to the profits, thereby increasing the margin now available. These shares are a quite satisfactory industrial issue. It is desirable, however, that the small proportion that the Ordinary share capital bears to the total should be increased, and that future capital required should be made by the issue of Ordinary shares.

NORTHERN GENERAL TRANSPORT COMPANY, LIMITED

There have been offered for sale this week 70,000 fully-paid Six per Cent. Preference shares of £1 each at par in the Northern General Transport Company, Limited. The Company owns the greater part of the share capital of the Gateshead and District Tramways Company, Tyne-mouth and District Electric Traction Company, Limited, the Jarrow and District Electric Traction Company, Limited, and a motor omnibus undertaking now working 49 vehicles over a large area in the north of the County of Durham. Of the total share capital issued of the first three Companies of £394,465, the Northern General Transport Company owns £360,868, from which, on the basis of the dividend paid in 1913, an income of £20,688 is forthcoming. Prior charges will absorb £4,500, leaving a balance of £16,188. The amount required to pay the dividend on the issued Preference shares (£108,709) is £6,523. It will thus be seen that the Preference dividend is quite well secured from dividend on investments apart from any profit from the motor omnibus undertaking. The receipts of this undertaking for the first half of 1914 amounted to £16,409. It is estimated that for the current year there will be a sufficient margin, after payment of the Preference dividend, "to pay a substantial dividend upon the Ordinary shares." Purchasers will be entitled to the dividend as from January 1, 1914. The shares appear to be a fair venture of their class.

KILWA (EAST AFRICA) PLANTATIONS, LIMITED.

This Company is formed with a capital of £135,000, in £1 shares, to acquire and develop rubber and coconut plantations situated near the Port of Kilwa in German East Africa, and applications are invited for the whole of the shares at par. The area of the plantations is about 10,300 acres, of which 2,176 acres are planted. The total amount expended upon the properties by the vendors up to January 1914 amounts to £46,500. The purchase price is fixed at £52,000, payable in cash, but the vendors undertake to subscribe and pay for 27,000 shares at par. The present issue, if fully subscribed, will provide, after payment of the purchase price, preliminary expenses, &c., a sum of more than £75,000, the whole of which will be available for working capital. The following is an estimate by the vendors of the profits to be made from each of the estates for the four years, 1917 to 1921:—

Year	Matanstapa £	Bangwe £	Liwale £	Total Profits £
1917-18	25,400	9,850	3,660	38,910
1918-19	26,850	10,000	4,750	41,600
1919-20	29,800	11,500	5,250	46,550
1920-21	34,215	11,900	6,750	52,865

It is proposed to plant with rubber, coco palms, cotton and sisal, and one of the vendors undertakes to guarantee a dividend of 5 per cent. for each of the three years 1915 to 1917 inclusive. The shares offered appear to be a fair speculative venture.

GENERAL OMNIBUS SUPPLY (MANUFACTURING COMPANY), LIMITED.

It is, of course, but a truism to say that there are many ways of losing money, but we can scarcely conceive of any investor having so little intelligence as to waste any money upon the egregious concern styling itself the General Omnibus Supply (Manufacturing Company), Limited, whose blatant prospectus has offered 373,660 Guaranteed Ordinary shares of £1 each for subscription this week. The concern is closely connected with a company which, under the title of Greater Omnibus Services, Limited, endeavoured in July and December 1913 to obtain money from the public, and which, in March of the pre-

sent year, found it desirable to merge itself with another ill-starred concern entitled the Premier Omnibus Company, presumably with the idea of thereby ridding itself of contracts which it regarded as objectionable. We do not propose to waste time criticising the details of the present prospectus—the whole affair is so extremely impudent. But we may confess to a mild surprise that the Capital and Counties Bank, Limited, or any reputable broker should allow their names to be used in connection with the issue of such a document. Enclosed in the prospectus is a letter signed by the Chairman, the Most Hon. the Marquess of Tweeddale, in which he states he encloses an advanced prospectus of the Company which is to be issued immediately. He adds, "As you will see, substantial dividends are being paid." To put it mildly, this is not true, and by reference to the prospectus itself the statement apparently applies to the promoting Company, the General Omnibus Supply, Limited, a private concern with a nominal capital of £25,000, of which, however, according to a recent return, only two shares of 1s. each have been subscribed. It would be interesting to know on how much capital the quoted dividends have been paid? Is it on a paid-up capital of 2s.? One further point only. The shares offered are described as guaranteed. The so-called guarantee is merely the taking out of an insurance policy "at an annual premium insuring £13,000." Supposing the Company cannot find money to pay its premium, what is the value of the so-called guarantee? Moreover, does the phrase used which we have quoted above mean that the amount of the policy is £13,000, or is the figure quoted the amount of the premium payable?

LONDON FILM COMPANY, LIMITED.

Applications are invited for an issue of 20,000 Seven-and-a-Half per Cent. Cumulative Preference shares of £1 each and 20,000 Ordinary shares of £1 each at par in the London Film Company, Limited, the issue being made to enable the Company to erect additional studios, &c., and to provide further working capital for increasing the output of films. The business of the Company is the provision of films for the cinematograph trade. At the present time the popularity of the cinematograph theatre is undoubted, and in view of the number of theatres in existence there is naturally exhibited a very large demand for the supply of suitable films. It should be recognised, however, that the industry is based on an amusement, and while the popularity at the present moment is very great, popular taste may easily be switched off on to something different, and, therefore, from an investment point of view the shares offered can only be considered as speculative.

A. J. STEVENS AND CO. (1914), LIMITED.

This Company is formed with a capital of £50,000, in £1 shares, to acquire the undertaking other than the screw manufacturing department of A. J. Stevens and Company, Limited, makers of the A.J.S. motor cycles, carried on at Wolverhampton, and to extend the same. The purchase consideration is fixed at £15,100, of which £4,300 is for goodwill, and is payable as to £4,100 in cash and the balance of £11,000 in shares. Of the 11,000 Ordinary shares, the first 10,000 will carry two votes per share as long as they are registered in the name or names of four of the directors. The remaining 19,000 shares have been offered for subscription this week at par. On the basis of the net sales for the nine months to May 31 last it is estimated that the profits for the year to August 31, 1914, after allowing for depreciation, &c., will amount to at least £5,000, while the directors anticipate increased profits in the future as the result of the introduction of additional working capital by the proceeds of this issue and improved conditions of manufacture. Naturally a great deal will depend upon management, and as the managing directors are themselves responsible for building up the business to its present stage it may fairly be anticipated that similar management will be forthcoming in the future. The shares, therefore, appear to be a satisfactory industrial venture of a speculative character while the market is likely to be fairly narrow.

"J. M." SHOCK ABSORBERS, LIMITED.

This company is formed with a capital of £60,000 for the purpose of acquiring patents for the invention known as the J.M. Shock Absorber. The capital is divided into 35,000 Eight per Cent. Participating Cumulative Preference shares of £1 each and 25,000 Ordinary shares of £1 each. Applications are invited for the whole of the Pre-

ference shares at par. In addition to their eight per cent. cumulative rights the Preference shares are entitled to one half of the surplus profits available for dividend. The purchase consideration is fixed at £49,000, payable as to £24,000 in cash and £25,000 in the Ordinary shares of the Company. The shock absorber is fitted to motor cars to relieve the occupants of the car and tyres of the shocks and vibrations set up by rough and uneven roads. The whole of the proceeds of the present issue will be available for the acquisition of the assets and to provide funds for working capital and developing the business. The invention is an ingenious one and is building up a satisfactory reputation for itself. From an investment point of view, however, the shares can only be regarded as of a speculative character.

BATU KAWAN RUBBER AND COCONUT PLANTATIONS, LIMITED.

This Company is offering to its shareholders an issue of £15,000 of Seven per Cent. Convertible Debentures in amounts of £10, £50, and £100 at par. The issue is required owing to the planted area having been found on survey to be more than was originally estimated by approximately 240 acres. There is in consequence a call for an increased expenditure for upkeep, which is enhanced by more expense of bringing the whole of the cultivated area to its present condition than was anticipated. The Debentures are redeemable at 105 per cent. on September 30, 1930, the Company having the option to redeem all or any after September 1, 1918. At least 25 per cent. of the net profits are to be set aside each year in the redemption of Debentures.

Correspondence.

MR. OTTO-GUNTHER VON WESDONK writes from 5 Egerton Mansions:—In the article in your issue of the 25th inst. on Sir Felix Schuster's speech on the question of bank reserves you criticise the policy of the Imperial Bank of Germany. Without venturing to touch the problem, whether an adoption or adaptation of the German principles for the emission of banknotes would prove profitable or not to the economical life of England, I take the liberty of pointing out to you, that it is practically impossible to compare the position of the Bank of England with that of the German "Reichsbank." The general financial conditions in both countries differ widely. It would lead too far to go into details here, and I will only mention the fact, that the use of cheques is not as developed in Germany as it is in this country. The notes of the Imperial Bank take the place of the cheques, at least as far as the general public is concerned, and this explains partly why Germany has to have quite other rules for the issue of paper money than England, where the banknote has become a gold certificate. It is one of the principal objects of the German Bank to help as far as possible the financing of sound enterprises, and much of the development of Germany's commerce and industry has been put down to the "elasticity" of the German Bank Act, which enables the "Reichsbank" to meet the needs of bankers and their borrowers and to assist them in critical periods. The policy followed up to now by the new President of the Board of the Imperial Bank, Dr. Havenstein, appears to have been most successful, and it is due to the initiative taken by him a short time ago to induce banks to discourage speculations by weak capitalists that German financial circles seem to bear comparatively easily the effects of the recent European crisis.

THE First National, of Boston, has issued an interesting booklet, entitled "Rediscount—a Study of European Methods and the New Federal Reserve Act," which is particularly timely now that the expansion of American banking institutions into foreign countries is claiming so much attention.

MEETINGS OF PUBLIC COMPANIES.

THE UNION BANK OF AUSTRALIA, LIMITED.

The annual general meeting of this Bank was held on July 27 at the head office, 71 Cornhill, E.C.

Mr. Henry P. Sturgis, who presided, said: I have now to move the adoption of the report and accounts, and I think you will agree with me that they show a very strong position and satisfactory results. After providing for all doubtful debts and contingencies we have added £30,000 to the reserve fund, and have been able to declare a dividend which, with a bonus, is equal to 14 per cent. per annum. The figures of the balance sheet on this occasion show an increase of £2,353,000, as compared with those of February 1913, largely attributable on the liabilities' side to the additions of £500,000 received on 20,000 new shares, making the paid-up capital £2,000,000; and of £460,000 in the reserve fund—£400,000 of which is derived from premium on new shares, £30,000 from profits to August 31 last, and £30,000 from those now before you—making the total of the reserve fund £1,960,000. There is also an increase of £37,000 in the balance of undivided profits, while deposits show an increase of £1,368,000. On the assets side the principal increases are: specie on hand and cash balances, £930,000; money at call and short notice in London, £1,130,000; investments, £231,000; and advances, £77,000. After deducting the £1,000,000 in investments set aside for reserve fund, the liquid and readily realisable assets amount to 9s. 3d. in the £1 of our total liabilities. This unusually large proportion of liquid assets to liabilities is accounted for, of course, by the figures I have already quoted, which show that the new capital is only in process of finding its legitimate outlet in the Colonies, and that a considerable portion has been temporarily employed in London; it will now find its way rapidly to the other side. It is pleasant to be able to report that our investments have required no provision for depreciation; in fact, provision previously made affords a considerable margin on the prices of last Friday.

The general conditions in the Commonwealth and Dominion have been satisfactory. When we met last January I stated that estimates pointed to an increase in the exports of wool of about 170,000 bales, as compared with the previous year; this estimate, however, is proved to have been considerably below the mark, the actual result showing an increase of 280,000 bales. Very satisfactory prices were obtained. The trade is sound, and the future can be looked forward to with fair confidence, though it is anticipated that this year's clip will show a decrease. As regards the wheat crop, the final estimate is 103,888,000 bushels—from 3,000,000 to 4,000,000 bushels more than the earlier estimate in January. Rather low prices were obtained, but still very satisfactory; and prices were very good, compared with those ruling for other wheats. Generally speaking, the prospects for both pastoralists and agriculturalists may be looked upon as good; but, from a telegram lately received from the General Manager, we read that: "Recent rains have improved considerably outlook generally, but rain much wanted South Australia, Central and Northern Victoria, and also parts Western New South Wales. Splendid rain has fallen last week large area West Australia, including North-West." Considerable expansion was shown in the frozen-meat trade and its allied products—skins, hides, and tallow—and prices for live stock were very satisfactory. I mentioned at our last meeting in January that Mr. Russell, our General Manager, was then due to arrive in this country on a short visit. He was here for over three months, so that we had many opportunities of discussing with him the affairs of the Bank; and I have no hesitation in saying that these intimate conversations were of the greatest benefit to all concerned. It will also be a satisfaction to shareholders to know that there was entire agreement between the directors and the General Manager as to the general lines of policy to be pursued and on general questions of management.

I have now an important statement to make to the shareholders as regards the question of dividing the present shares of £75, with £25 paid, into shares of a lower denomination. The board are of opinion that, on the whole, the splitting of the shares would be of benefit to the Bank, chiefly from the fact that it would no doubt increase the number of our shareholders, and so add to the number of those who might in various ways forward its interests. At a later date we propose to call a special meeting of shareholders, when the detailed proposals of the board will be put before them.

Mr. W. O. Gilchrist seconded the motion, which was unanimously adopted.

CLERGY MUTUAL ASSURANCE SOCIETY.

The annual general meeting of assured members of this Society was held on Tuesday at the office, 2 and 3 The Sanctuary, Westminster, Sir Paget Bowman, Bart. (Chairman of the Board of Directors), presiding.

The Actuary and Manager (Mr. Frank B. Wyatt, F.I.A.) having read the notice convening the meeting,

The Chairman said: Gentlemen,—The report which is in your hands gives the usual condensed statement regarding the transactions of the Society during the past year, but I should like to give you some further explanation regarding the working of our business and our financial position.

New Business.

You will probably have noticed that the new business in respect of life assurance has not been quite as substantial as during the previous year. We have had fewer cases of large assurances, and an increase in the number of small ones, so that the total amount assured is about £77,000 less than last year. On the other hand, the number of policies, 534, is only 34 short of the number last year. As you are, of course, aware, the whole of our business is obtained without the payment of one penny in commission to agents, and perhaps I may here take the opportunity to thank those members who have exerted themselves to extend the usefulness of the Society by bringing its advantages under the notice of their friends. This co-operation of the members is always to be relied on, and it is the experience of the office that it is increasingly effective. The magnitude of our new business can only be compared with that of the other three offices—and there are only three—which, like ourselves, are what are termed "Non-commission offices." I find that the amount assured by our new life policies exceeds that of two of these offices, and that the number of policies we have granted, 534, is considerably greater than any one of these three offices, and, in fact, is more than double the number granted by two out of these three offices. Our average rate of interest, subject to deduction of income tax, on the invested assets at the close of the year was £4 3s. 2d. per cent., or an increase of 10d. over last year. This rate is about 2s. 6d. greater than it was in 1909, the corresponding year of the previous quinquennium. An additional half-a-crown per cent. on our funds represents an improvement of over £6,000 a year. On the other hand, the extra penny put on the income tax this year means a reduction of £800 in this improvement. The actual rate of interest, after deduction of income tax, obtained last year on the whole of the funds was £3 17s. 9d. per cent.—that is, £1 7s. 9d. per cent. more than the rate at which our funds are calculated to accumulate. This difference represents an actual realised profit for the year of about £63,000. Our expenses of management are slightly higher than the year before, but they are still at the very low rate of £7 3s. 9d. per cent., which is little more than one-half the average rate of expenditure of ordinary life assurance companies, as shown in the official returns to the Board of Trade. We are able to say that year by year, and it is a very gratifying point in our favour in competition with the commission-paying offices.

Claim Experience.

Our claim experience, always favourable, has been unusually so this year. As you will see from the statement in the report, the claims on lives under the age of 70 being only 60 per cent. and the claims on lives over that age only 70 per cent. of the amount provided for by the Society's reserves. Putting it another way, the "expected" claims—that is, the amount provided for by the Society's reserves, were about £342,000, whereas the actual claims on death, exclusive of interim bonus, were only about £224,000, showing a difference of £118,000 in favour of the Society. This difference of £118,000 is, of course, not all profit, as the payment is only deferred, but there is no doubt that from this deferment a very considerable profit will arise. It will be of interest if I give you brief particulars of our claim experience during the three years of the present quinquennium, which commenced in 1911. The "expected" death claims for these three years were about £1,040,000, whereas we have actually only had to pay £743,000, thus showing a difference of nearly £300,000 in our favour. I think this will show you in a rough way that our mortality experience during the three years has been remarkably favourable, and that a very large profit has arisen from this particular source.

Funds, £4,801,709.

As to our assets, you will observe that the considerable addition of £125,435 was made to our funds during the year, and that these funds now amount to £4,801,709. The various classes of investment representing this fund are shown in the balance sheet, and, in our opinion, they are good and satisfactory investments. With regard to the amount invested in mortgages, I may inform you that, except in the

case of one mortgage which is causing us some anxiety, there were practically no arrears in payment of interest at the end of the financial year. There has, as you are aware, been a further decline in the value of Stock Exchange securities, even of the very best class, and the Society, like other financial institutions, finds that the market value of its investments in Stock Exchange securities shows a depreciation. In a note in the balance sheet you will see that the depreciation in the market value of this class of investment which has taken place since our last quinquennial valuation, three years ago, in 1911, is only about 6½ per cent. of the aggregate value of these securities as shown in the balance sheet—namely, £2,331,394. The Society is under no necessity to realise any of these securities at the present time, and therefore the depreciation, which is shown to be £157,540, is not to be looked upon as a loss. A moderate recovery in the prices of high-class securities, an event which it is not unreasonable to anticipate may happen in the near future, would wipe out the greater part of this depreciation. We have also a compensating advantage in the present high rate of interest obtained from investments and mortgages. As I have already mentioned to you, our income from interest is about £6,000 a year more than if the rate of interest had remained what it was five years ago. We have had a considerable sum to invest each year, and, under present financial conditions, we have no difficulty in obtaining what we consider a very good rate of interest on satisfactory security.

Extended Qualification of Membership.

Now I will say a word about our Bill in Parliament. I should like as a prelude to my remarks to offer, on behalf of the members, our thanks to the two members of Parliament—who are also members of our Society and largely assured with us—the Right Hon. William Hayes Fisher and Sir J. Barlow, Bart., for backing our Bill, as it is necessary for that to be done. We are very much obliged to them for showing their confidence in the Society by backing it, and so getting it introduced. The Bill has passed through the Commons with one or two unimportant amendments, and will probably next week be considered in Committee by the House of Lords, so that we hope the Bill will receive the Royal Assent within a few weeks from to-day. The memorandum which was sent to all the members early in the year described fully the objects and changes which would be effected by the new Act in the present powers and rules of the Society, so that I do not think it necessary to trouble you with any further explanation beyond stating that the constitution of the Society will be simplified and that it will become a corporate body. I desire, however, to impress upon you the fact that the Society will continue to be carried on entirely on the mutual principle, solely in the interests of the members, and that all the rights and privileges of the members will be strictly conserved. The work of the Society will be facilitated, but it is, perhaps, more important to note that the qualification for membership will be extended to persons who are or have been members of or on the staff of any university, public school, college, or kindred institution in the United Kingdom, which the directors may from time to time approve for that purpose. To put it briefly, we shall be able to grant policies, with participation in profits, not only to the clergy and their relatives, but also to university and public school men. The directors feel that they can rely upon the co-operation of the members in making this extension of membership very widely known, and if this is done we may hope for an accretion of lay members of a specially good class. We on our part will make the change known by frequent advertisement, and probably by the dissemination of circulars. Our new Act of Parliament, under which the Society will become incorporated, makes trustees no longer necessary, and the four gentlemen who have for many years held that office will by the Act be relieved of their duties. To two of them, Mr. Biddulph and myself, these duties have been the less onerous because of the frequent opportunities which our attendance at the board has afforded for signing the documents which required our signature. But to the Archbishop of Canterbury and the Dean of York it must have been often inconvenient to give the time and attention required. In concluding my remarks, gentlemen, I would remind you that the Society has now entered on the 86th year of its existence. I think you will agree with me that though it may be regarded as an old institution, it still retains the vigour and the elasticity of youth, and that we can look forward to its future progress with complete confidence. I beg leave to move "That the report, now submitted, be adopted."

The Deputy-Chairman (Prebendary Harvey) seconded the motion.

Mr. J. L. S. Hatton expressed disappointment that the Clergy Mutual was not included among the four Societies recommended in connection with the Federated Pension scheme for University Colleges.

The Chairman, in reply, said that the enlargement of the qualification of membership for the Society was made with the purpose of obtaining some of the business which Mr. Hatton had referred to. The board were disappointed that it was not included among the four selected offices. They did all they could in the matter, but of course the question of inclusion was not within their control. They were fully alive to the importance of the position, and were determined

to do everything possible to obtain a share of the business of the association which was now coming into being.

The motion was carried unanimously.

Mr. L. G. Dibdin proposed: "That the thanks of this meeting be given to the directors for their efficient conduct of the affairs of the Society, and their constant attention to the interests of the members, so clearly evidenced in the report now submitted to the meeting, and also that thanks be tendered to the chairman, Sir Paget Bowman, Bart., for his able and courteous conduct in the chair."

The Rev. H. A. Wansborough seconded the resolution, and it was unanimously carried.

The Chairman having briefly acknowledged the compliment, the proceedings terminated.

GLOUCESTER RAILWAY CARRIAGE AND WAGON COMPANY, LIMITED.

THE twenty-sixth ordinary meeting of the shareholders of the Gloucester Railway Carriage and Wagon Company, Limited, was held at the Company's offices, Bristol Road, Gloucester, on Monday, July 27. Mr. R. V. Vassar-Smith, Charlton Park, Charlton Kings, Chairman of the Directors, who presided over a good attendance, was supported by the other members of the board: Mr. E. L. Evan-Thomas (London), Mr. J. Albert Matthews (Gloucester), Mr. Ernest K. Little (Newbold Pacey Hall, Warwick), the Hon. Michael H. Hicks-Beach, M.P. (Coln St. Aldwyns, Fairford), Mr. Stanley Baldwin, M.P. (Astley Hall, near Stourport), and Mr. John J. Steinitz (Managing Director); with the Secretary, Mr. J. H. Beach.

The Year's Profit.

The Directors, in submitting the statement of accounts for the year ended May 31 last, reported that the profit on the year's trading, after making the usual provision for depreciation, also for contingencies and internal reserves, was £80,132 11s. 7d., and the disposable balance, after deducting the interim dividend paid February 1 last, amounted to £69,995 3s. 10d. The directors proposed to transfer £10,000 to the reserve fund, which would then amount to £160,000, and recommended the payment of a dividend for the past half-year at the rate of 10 per cent. per annum (£18,394 8s. 6d.), less income tax, making 10 per cent. for the year, and that the balance (£41,600 15s. 4d.) be carried forward. The Company now repair and maintain 26,631 wagons, including those belonging to the Company.

The Chairman's Speech.

The Chairman, in moving the adoption of the report and accounts, with the declaration of the dividend recommended, said he thought the shareholders would agree with the board that the figures showing the progress of the Company's business during the past year were satisfactory. (Hear, hear.) Dealing with the revenue account, the Chairman explained that the debenture interest amounted to £17,141, compared with £14,808 a year ago, and depreciation of buildings, machinery, and of wagons let on hire to £12,455, against £10,704, and the balance carried down (£80,132, compared with £50,447) was proportionately higher, owing to the larger amount received for wagon rents and in respect of balance of profit and loss account (£105,269, as against £69,567).

The Balance Sheet.

Coming to the balance-sheet, he pointed out that the registered capital of the company was the same as a year ago; the debentures amounted to £426,583, against £409,918, and the amount under the head of sundry creditors and credit-balances was £151,077, compared with £100,795. That, of course, was to some extent, though not wholly, due to the inner reserve fund which he mentioned last year, and which the Directors thought it desirable to have. Everyone would remember the unfortunate circumstances of some three years ago, when they were obliged to pass one half-year's dividend. Since then they had got their house into better order, and their profits had been increased; and the directors had thought it desirable to have a certain amount of liquid asset inside their accounts which might be useful at any time when, perhaps, their business might not be so prosperous as it was at the present time. The reserve, after having increased by £10,000, now amounted to £160,000. With regard to the assets, land, buildings, machinery, &c., were put at £382,694, this sum including £22,361 in respect of additions made during the year, the latter being largely due to the purchase of new machinery, although a portion of it was in respect of the purchase of land near the works to enlarge the space available for machinery. The wagons let on simple hire stood at £205,297, as compared with £197,039, the number of wagons now let on simple hire being 5,729. The rolling stock let on deferred purchase (referring to 5,616 wagons) was valued at £205,572, against £189,180. The stock-in-trade and work in progress amounted to £211,722, compared with £180,155. Sundry debtors owed £142,772, against £113,715, and the Company's investment in the Port Talbot Steel Company, Limited, stood at £124,996, as against £93,746 a year ago,

the shares having now been fully paid-up. With regard to the Port Talbot Company, they had now, he should think, the best-equipped steel works in the country, and they were in a position to turn out steel and plates considerably cheaper than any of their competitors, owing to better equipment.

Dividend and Carry-forward.

After remarking that it was the first time for a number of years that the Company had been able to pay an interim dividend of 10 per cent., the Chairman commented upon the prudence of carrying forward so large a balance as £41,600. There were a great many disturbing elements at the moment, and they seemed to get worse day by day. The foreign news was about as bad as it could be, the home news in regard to Ireland could hardly be worse, and they were threatened with all manner of trouble in the labour world. He thought it would be better for the shareholders to be content with their 10 per cent. dividend, with the large carry-forward for eventualities. He hoped, however, that there might be no further trouble, and that the current year might be as prosperous for the Company as the past one had been. (Hear, hear.) The Company now was in as strong a financial position as he thought any company need be, and he hoped they might look forward with confidence, whatever happened, to the future and to the maintenance of their 10 per cent. dividend. (Applause.)

The proposition was seconded by Mr. E. L. Evan-Thomas, and adopted unanimously.

Mr. Evan-Thomas and Mr. E. K. Little were re-elected directors, and Messrs. Hudson Smith, Briggs, Smith, and Taylor, chartered accountants, Bristol, were re-appointed auditors.

Director's Remuneration Increased.

Upon the proposition of Mr. Alfred Slater, seconded by Mr. James Bruton (Mayor of Gloucester), it was unanimously resolved that the remuneration of the directors be increased from £1,500 to £2,000, such increase to take effect from May 31, 1913.

In making the proposition, Mr. Slater pointed out that since 1897 (when the shareholders last considered the question of the directors' remuneration) the Company's undertaking had been greatly extended, and many important improvements had been effected in the works. In those seventeen years the reserve fund had been increased by about £90,000, and the total trading assets of the Company had advanced from about £710,000 to £1,165,000.

The Mayor of Gloucester, in seconding, pointed out that the directors were all men of high standing in the commercial world, that two of them were Members of Parliament, and that Mr. Vassar-Smith (as Chairman of Lloyds Bank) was the head of one of the largest banking concerns in the country.

Vote of Thanks to Chairman and Directors.

Mr. Charles Bathurst, M.P., of Lydney Park, Gloucestershire, proposed a hearty vote of thanks to the Chairman and his co-directors, the Managing Director, and the staff of the Company for their efficient conduct of the business during the past year. Describing the present statement of accounts as extremely satisfactory, Mr. Bathurst said the shareholders were about to receive a very good dividend, which, it was to be hoped, would be maintained. He strongly commended the wisdom of the directors in regard to the addition to the reserve, and the large amount carried forward, particularly in view of the many disturbing factors in the industrial and the political world. The last two years, he said, had immensely improved the stability of the Company and its commercial prosperity, largely due to the exceptionally good management and exceptionally good trade. Speaking as one interested in the purchase of railway wagons, Mr. Bathurst said there were two features in which, to his mind, the Gloucester Wagon Company had always excelled—in the relative promptness shown in the execution of its orders, and in the efficiency of its repairs. Promptness was observed to a greater extent by that Company than by, at all events, some others in the trade, and, in his opinion—after some experience, bitter and otherwise—there was no better repairing staff to be found in the country than that employed by the Gloucester Wagon Company. (Applause.) Although the proprietary interest in the Company was in the hands of small people to a large extent—and, he was glad to think, of many local people—the ramifications of the trade of the Company were certainly national and, he thought he might say, international, and when they heard about persons possessed of capital who were beginning to be a little afraid, in view of the trend of modern public finance, of investing their capital in this country and placing it abroad, they were glad to think that a certain amount of the foreigner's capital was coming through the medium of the Gloucester Wagon Company into this country, and into the City of Gloucester for the benefit of local labour and of local shareholders. (Applause.)

Mr. Morgan Matthews seconded the vote of thanks, which was heartily adopted, and acknowledged by the Chairman and the Managing Director.

FURNESS WITHY AND CO., LIMITED.

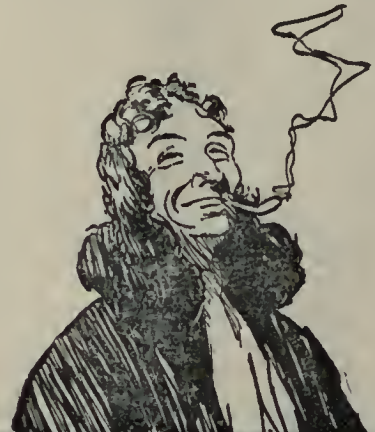
The twenty-third annual meeting was held at the registered office, West Hartlepool, on July 25.

Sir Stephen Furness presided, and was supported by the following directors:—Lord Furness, Mr. R. W. Vick, J.P., Mr. Robert E. Burnett (London), Mr. W. H. Beckingham (Cardiff), Mr. Walter Furness, Mr. C. E. Furness (Newcastle), Mr. A. S. Purdon, J.P., Mr. D. Cooke, and Mr. R. J. Thompson (Newcastle), with Mr. S. J. Forster (Secretary). There were also a large number of shareholders present.

Sir Stephen W. Furness, in moving the adoption of the report and accounts, said: It is very pleasing to me to be able to congratulate the shareholders upon a very satisfactory year's trading on this, the second occasion on which it has been my pleasure to move the adoption of the Company's accounts. It is well known—particularly to those interested in shipping—that there has been a considerable shrinkage in freight rates as compared with the abnormally high rates prevailing during the previous twelve months. Under these circumstances I cannot but feel that you will be pleased that the profits of your Company have maintained so high a level. This is due to the fact that we are not dependent entirely upon the earnings of our steamers, and, while, of course, the depression in shipping, with its consequent effect upon shipbuilding and kindred trades, must necessarily affect a section of the profits of the Company, we have, nevertheless, demonstrated by past experience that the results of such depression have been largely counteracted by the varied nature of our interests.

The Accounts.

I think it is unnecessary to deal at length with the accounts, as I am sure you will agree that they are self-explanatory. I would, however, draw your attention to the satisfactory decrease in our liabilities; our bills payable during the year having been reduced from £980,067 to £750,723, showing the substantial reduction of £229,344, while our creditors have decreased from £538,438 to £378,211—a total decrease in these two items of £389,571. On the other side of the balance sheet the debtors and cash have decreased, but only to a smaller extent—namely, £174,604—so that our liquid position during the twelve months has improved to the extent of over £200,000. Considering that this Company has no Debentures, that goodwill does not figure as an asset in the balance sheet at all, and that there is a separately invested reserve fund, the strength of its position is apparent. It is very pleasing to find that our



Bell's "Three Nuns" Tobacco

This quaintly cut and skilfully blended mixture pleases by many qualities in addition to its coolness and pleasant fragrance. It possesses something of the flavour of a ripe old Madeira, a fascinating old-world charm of which an educated palate never tires.

A Testing Sample will be forwarded on application to Stephen Mitchell and Son, Branch of the Imperial Tobacco Co. (of Great Britain and Ireland), Ltd., Glasgow.

"King's Head" is stronger.

Both are sold at 6½d. per oz. and are obtainable everywhere.

"THREE NUNS" CIGARETTES
MEDIUM ... 3d. for 10

No. 346.

dividends from investments have been more than maintained. In the report of two years ago we informed our shareholders that we had purchased a substantial interest in Messrs. Houlder Brothers and Company, Limited. This investment has proved a very valuable one. Since I, and one of your brother directors—Mr. Lewis—joined the board of this Company the business has shown great expansion; in fact, there has already been added to the allied fleets no less than 19 steamers, in addition to which they have under construction with Messrs. Irvines at the present time a further nine vessels. This last order was for 10 steamers, one of which has been delivered.

New Ships for the Frozen Meat Trade.

The foregoing, however, does not exhaust the advantages which have been gained by our association with Messrs. Houlder Brothers, as apart from the tonnage above referred to, three meat steamers, constructed for the British and Argentine Steam Navigation Company, Limited—in which your Company owns the whole of the share capital—are employed in the chilled and frozen meat trade between the River Plate and Liverpool, in conjunction with the two sister vessels owned by the Houlder interests. These twin-screw vessels are the largest meat carriers in the world, and their working has been so satisfactory that contracts have been entered into with the principal companies engaged in the meat trade for a similar service over a period of 10 years to the Port of London. In order to operate these contracts, a separate company has been formed—namely, the Furness-Houlder Argentine Lines, Limited—of which your Company will control three-fifths and Houlder interests two-fifths, and for which five twin-screw refrigerated vessels are now being constructed. In connection with this new company it has been arranged to issue £500,000 Five per Cent. First Mortgage Debentures at 95 per cent., the prospectus of which will appear shortly. The shareholders of Messrs. Furness, Withy and Company, Limited, and of Messrs. Houlder Brothers and Company, Limited, will receive preferential allotment. The Debentures are well secured, and will yield a good return. It must also be satisfactory for the shareholders to learn that in these enormous developments no less than 20 steamers, representing a sum of £1,355,000, have already been constructed by or are being contracted for with Messrs. Irvines Shipbuilding and Dry Docks Company, Limited, West Hartlepool, of which your Company controls the entire share capital. Of the remaining 13 steamers for the same interests, nine have been constructed by the Northumberland Shipbuilding Company, Limited, Howdon-on-Tyne, in which your Company is also interested. With this indication, it seems scarcely necessary for me to state that both shipyards at Messrs. Irvines have been kept employed at their fullest capacity, and under the able management of Mr. A. S. Purden and his efficient staff the result of that company's operations have been satisfactory. The facilities which they enjoy for the repairing of steamers, and which are constantly being added to, have also been fully employed during the year under review. The steamers which they have built for ourselves and our subsidiary companies, and also for a number of owners, have given the greatest satisfaction, and in most cases old customers have placed repeat orders—a striking testimony to the efficiency of the workmanship and the courtesy and attention of the officials and staff.

Acquisition of Modern Vessels.

The Norfolk and North American Steam Shipping Company, Limited—of which we own the entire share capital—have placed orders for three large shelter-deck steamers capable of steaming about 13 knots to meet the growing demands of their London-Philadelphia Transatlantic Line. The Neptune Steam Navigation Company, Limited—in which you are the proprietors of 96 per cent. of the share capital—have taken the opportunity of disposing of several of their older steamers, and these are being gradually replaced by larger and faster vessels, which will be a valuable acquisition to your Company in connection with some of its existing regular lines. In my remarks last year I referred to the acquisition of the new passenger steamer *Digby*, which was constructed at Irvine's Shipyard. This vessel has considerably enhanced our reputation in the Canadian and Newfoundland trade, having carried many distinguished passengers, including the Premier of Newfoundland. The tender for the construction of our new wharf and warehouses at St. John's, Newfoundland, has been let; the work is proceeding satisfactorily, and we hope to be in possession of the premises during the present year. As mentioned, this development was necessary owing to the increased size of our steamers, and when the wharf and warehouses are completed they will be the finest and most up-to-date property of their kind in the Colony. I have spoken of the development of our lines from Liverpool in connection with our important interests in the Argentine trade, and in connection with the Newfoundland and Canadian trade, but we have during the year acquired an interest in one of the oldest and yet most progressive businesses in the port of Liverpool. I refer to the world-renowned Johnston Line, Limited. The head of that organisation—Mr. William Johnston—has had possibly a longer connection with shipping than any man now connected with it, and he has devoted his life to the building

up of one of the best-known Transatlantic lines—namely, "The Johnston Line," running between Liverpool and Baltimore, and also a line of steamers operating between Liverpool and the Danube. Their steamers are of the highest class, and their organisation is a very complete one, and the directors of your Company are not only sanguine of the continued success of the enterprise, but are pleased to have formed an affiliation with a firm so well and honourably known. Four of your directors, together with four of the original directors of the Johnston Company, form the present Board of Administration.

Rotterdam Business.

The two large steamers which were under construction for the Rotterdam business, in which your Company has a substantial interest, have been delivered. This business continues to show satisfactory expansion. The acquisition of the large elevators, to which I referred in my speech last year, has proved most satisfactory, and they have built up a very favourable reputation, not alone among English ship-owners, but among owners of all nationalities who use the port of Rotterdam. The offices which they at present occupy having proved inadequate for their purpose, they have purchased the Leygraaf Hotel, on which site they propose building new offices capable of accommodating their large and increasing staff. We have noticed in the Press paragraphs to the effect that Furness, Withy and Company, Limited, are contemplating building a shipyard and repairing plant near Rotterdam. Such a statement is incorrect. It is quite true that a shipyard is to be constructed near Rotterdam, but the company will be a Dutch company, and the entire capital will be subscribed in Holland, towards which the Furness' Scheepvaart-en Agentuur-Maatschappij, Rotterdam, will subscribe, as an investment, a portion of their undivided profits. In our last report we had, unfortunately, to refer to the loss of one of the Company's steamers, the *s.s. Florence*—attended with loss of life. It is very gratifying to me to be able to refer to the fact that not alone in respect to the steamers owned by your Company, but also in respect to the many associated concerns, we have fortunately run this year without any serious accident; and the scheme which your directors initiated some years ago, of training its own apprentices, has proved most satisfactory, many of our officers being men who have been trained entirely in the services of the Company.

The Future.

In regard to the future, I believe that the autumn will see an advance in freights, and your Company is in a position to take full advantage of any such improvement. We continue to adopt the cautious policy by making very ample provision for depreciation during the period when we are able to amass considerable surpluses, and this, I feel, is the wisest course in respect to whatever the future may have in store, being actuated by the keen desire to maintain our dividends on a regular basis. I now move the adoption of the report and accounts for the past year.

Lord Furness seconded the adoption of the report and balance sheet, and the motion was carried unanimously.

A vote of thanks to the Chairman terminated the proceedings.

HANCOCK AND COMPANY (NEW ZEALAND), LIMITED.

The eighth ordinary general meeting was held at Winchester House, Old Broad Street, E.C., on July 28, Mr. Moss Davis (Managing Director) presiding.

The Secretary (Mr. Arthur G. Morrish, F.C.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I know you are all missing the presence of our Chairman, Mr. Marks, and it is with very great regret I have to tell you that it is ill-health that prevents his being with us to-day. He has asked

DELICIOUS FRENCH COFFEE

**RED
WHITE
& BLUE**

FOR BREAKFAST AND AFTER DINNER.

In making, use less quantity, it being so much stronger than ORDINARY COFFEE.

me to preside at this meeting, and I would add that the few remarks I am about to make in connection with the business are made with his consent and approval. His enforced absence—now, unfortunately, of some months' duration—has deprived us of his valued advice and assistance, and I feel sure you will join me and my colleagues in a vote of sympathy with him, and endorse our hope that he may be with us again shortly.

Prosperity Continues.

The report and accounts presented to you show that the Company's prosperity continues hand in hand with the increasing prosperity of the Dominion of New Zealand, and although there have been labour troubles, yet we are happy to tell you that the clouds have passed away, and that the outlook, so far as one can see, is bright. The Dominion is very prosperous, owing to its unrivalled productiveness and the unceasing energies of its people, and the future prosperity of the province of Auckland, in which our properties are situate, is undoubtedly well assured. The City of Auckland is growing fast and the population increasing. Possibly for the coming year we may have to pay more for some of our purchases, but the result of the year will, we anticipate, be favourable. Before going into the accounts I should like to point out to the shareholders that within the past few years we have almost entirely revolutionised our method of brewing, which accounts for our very heavy capital expenditure on buildings and plant, with the result that we have one of the most up-to-date, if not actually the most up-to-date, plant and brewery in the Dominion. This, as you know, has been the policy of your Board since the inception of the Company, and we claim that we have justified our action by the fact that our product is to-day recognised as of the purest and best. We hope that at any rate for some time to come our heavy capital expenditure is at an end.

The Balance Sheet.

Now as to the figures. If you will first turn to the balance sheet, you will observe that the share capital remains unchanged. There are 75,000 Preference and 75,000 Ordinary £1 shares, all fully paid. The Debenture stock diminishes yearly, and is now £109,080. During the past year we have purchased and cancelled £9,670 of this stock, and with our capital expenditure at an end we hope to considerably reduce this item as our profits accumulate. The accrued interest on the Debenture stock diminishes yearly also. The next two items of sundry creditors and credit balances amount to £34,351, and are nearly £8,000 more than last year; but bills payable at £1,820 show a decreased liability of over £4,000. Therefore, our total increased indebtedness only amounts to £4,000. The mortgages are £4,900, against £950 last year. The leasehold depreciation fund you will see is £22,340, so that we have added since last year £3,579 to this account. Capital reserve stands at £26,341, while the general reserve shows that we have added the £5,000 passed at the last meeting, and you will be asked to-day to vote a further sum to this account, which will bring it up to £30,000.

Assets.

Now on the assets side of the balance sheet you will see that we have spent nearly £12,000 on our freehold property during the year. Sales have been effected, amounting to £5,345. The net result is that this asset stands in our books at £150,442, an increase from last year of £6,632, nearly all due to the additional buildings for the brewery in connection with the new system of brewing to which I have already referred. Our leaseholds at £98,641, after allowing for additions less sales, are some £4,838 less. £27,765 is the next item, for fixed and loose plant, machinery, casks, &c., and after allowing for depreciation the item is £5,636 more than last year. This is, of course, due to the new plant placed in the new buildings, and requires, I think, no further explanation. Goodwill is still at the nominal figure of £4,355. The hotel furniture stands in the books at £13,587, and is, in my opinion, fully worth this. Mortgages and loans have gone from £8,044 last year to £29,155. This considerable increase is entirely due to the fact that we have accepted mortgages in part payment of some of the properties sold during the year. Payments in advance at £5,999 are practically the same as last year. Our stock of beer, wines and spirits, and materials is valued at £28,813, and the increase of £6,885 is, of course, more than justified by the increase in our sales. The debtors are £20,164, some £563 less than last year, and the bills receivable at £290 are over £8,000 less. The cash is 17,623, which includes a small item of £109 on the Debenture Trustees Account.

Profit and Loss Account.

Now as regards the Profit and Loss Account, as mentioned at the beginning of the report sent to you, the sum to be dealt with is £32,944 8s. 6d. and £8,063 3s. 2d. brought forward from last year, making £41,007 11s. 8d. The deductions to be made are Debenture interest £6,226 10s. 2d., depreciation of leaseholds, plant and

machinery, £3,689 1s. 6d., the interim dividend of 6 per cent. on the Preference shares £2,250, and the same amount on the Ordinary shares. We have since paid the final dividend of 6 per cent. on the Preference shares to March 31, amounting to £2,250, and recommend that there be now paid a final dividend on the Ordinary shares for the year at the rate of 14 per cent. per annum, making, with the interim dividend, 10 per cent. for the year, and to add a further sum of £5,000 to our general reserve, leaving to be carried forward to our next account £9,092. I trust that you will agree with us that the figures presented to you for the past year are very satisfactory in every way. The financial position, as disclosed by the balance sheet, is strong, we have a good name for our beer throughout the Dominion, the brewery and plant, as I said before, is up to date, and our product, we claim, is second to none south of the line. We have a highly efficient and loyal staff, and our managers, my two sons, in New Zealand work unceasingly for the benefit of the Company. I have now much pleasure in moving: 1914, at the rate of 14 per cent. per annum, making, with the annexed statement of the Company's accounts as at March 31, 1914, duly audited, be received, approved, and adopted."

Mr. R. Logan seconded the motion, which was carried unanimously without comment.

Dividend.

The Chairman then moved: "That a final dividend be paid on the Ordinary shares for the year ended March 31, 1914, at the rate of 14 per cent. per annum, making, with the interim dividend at the rate of 6 per cent. per annum paid on December 31 last, 10 per cent. for the year; that £5,000 be placed to general reserve, making this reserve £30,000; and that, after providing for the dividend on the Preference shares for the six months to March 31, 1914, the balance of £9,092 be carried forward."

Mr. T. R. Ronald seconded the resolution, which was unanimously agreed to.

Mr. Logan then moved the re-election of the retiring director, Mr. E. Davis. In doing so he said that the Company would be in a very poor way indeed except for the services of Mr. Davis' two sons in New Zealand. They were unceasing in their efforts to improve the position of the brewery and to turn out the very best beer to be had in New Zealand. In fact, he thought that they deserved re-election more, perhaps, than did the Board in England.

Mr. Ronald seconded the motion, adding that he wished to re-echo every word that Mr. Logan had said.

The resolution was carried unanimously.

On the motion of Mr. S. Ponder, seconded by Mr. Logan, the auditors, Messrs. Deloitte, Plender, Griffiths and Co., were reappointed.

Mr. Ponder proposed a vote of thanks to the directors and staff on the other side. He said there was no doubt that, except for the real hard work and zealous attention to business on the part of those on the other side, such a magnificent result could not have been placed before the shareholders. It was a great satisfaction to the shareholders to know that their affairs were in such excellent hands. He wished to include in his vote of thanks the directors and staff on this side for their services on behalf of the Company. He would also like to voice the shareholders' sympathy with Mr. A. M. Marks, the Chairman of the Company, for the severe illness from which he was suffering, and to express the hope that he would soon be restored to health.

The resolution was carried unanimously, and, the Chairman having acknowledged the vote, the proceedings terminated.

RAPHAEL TUCK AND SONS, LIMITED.

The annual meeting was held on July 28 at Salishury House, London Wall, E.C., Sir Adolph Tuck, Bart. (Chairman of the Company), presiding.

The Chairman, in moving the adoption of the report and accounts, said: "What you will desire me to tell you in the first instance is why the onward course in the progress of the business—the continuance of which we had every reason to predict last year—has been momentarily arrested and a temporary check in the profits has to be recorded instead. Our reduction in net income is due to two primary causes—increase in expenditure and a decrease, slight it is true, in the volume of trade."

Review of the Departments.

I will now pass in quick review the departments which are responsible for our trade. To begin with, I am in the happy position of being able to repeat what I stated annually for a number of years—namely, that the various departments of your business are all in a sound, healthy condition. I further have particular pleasure in again being able to endorse last year's statement that your premier department, "Christmas and General Greeting Cards," once more heads the list as the most important department of your business. To how gratifying an extent this is the case will be clear to you when I tell you that the profits made by this individual department actually exceed those of last year. The outlook for the coming year for this department—

"Christmas and New Year Cards"—is particularly bright, in that we have introduced an epoch-making novelty duly patented by us in the leading countries, and which has immediately been taken up by the entire trade, the orders on hand already taxing our present manufacturing resources. The title given to this novelty is that of the "Pot Pourri" perfumed cards, its underlying idea being a delicately painted vase raised on the card itself, finely pierced so as to allow the perfumed leaves placed at the back of the card to emit a sweet scent. For this season upwards of forty different sets, including variations, such as pierced flower baskets and pierced jewel caskets, have been issued, all without exception, successes. This simple but, from a lady's greeting card point of view, excellent idea is, of course, capable of great development, and will form a permanent feature in Tuck's Christmas, birthday, wedding, and other cards for years to come. With regard to the postcard department, this has shown surprisingly little fluctuation, and my last year's remarks respecting its general steadiness hold good. The same statement applies to our engraving and picture department. I have to report the important acquisition for the engraving department of the valuable stock and copyrights of the Art Union of London, which, after a successful existence extending over many years, has given up its charter.

The Balance Sheet.

I now propose to claim your attention for the balance sheet. The leasehold properties, £65,000 of which are secured by redemption policies, are valued at £76,561 18s. 2d., against £76,742 0s. 2d. last year. Originals unpublished and in course of publication, lithographies, steel plates, &c., &c., are valued at £8,405 8s. 3d., against £8,356 11s. 9d.—a low valuation this in view of the considerable sum laid out in the acquisition of steel plates during the year. Plant, fixtures, motors, vans, horses, furniture are down for £7,957 2s. 1d., against £7,875 12s. 3d. last year. Sundry debtors including advance to Raphael Tuck and Sons Company of New York, bills receivable, debit balances, after providing for discounts, doubtful debts, &c., stand at a total of £92,844 14s. 6d. The corresponding figure of last year was £66,945 6s. The considerable increase here of £25,899 8s. 6d. is due to the new item of New York indebtedness to us, which is introduced in this column and which forms part of the investment of £60,000 which you approved of your Board making last year in the American business. In this connection I may mention that only £44,703 8s. 1d. out of the £60,000 was called for by America during the financial year under review, the balance of some £16,000 remaining at their disposal in accordance with their requirements. Investments, Government, Colonial, and other stocks are £48,404 12s. 2d., against £63,348 15s. 8d. Investments in printing and publishing companies, including Raphael Tuck and Sons, Limited, of Berlin and New York, stand at £28,470 16s. 11d., against a corresponding figure last year of £16,916 19s. 1d., these two combined investment totals amounting to £76,875 9s. 1d., against last year's £80,265 14s. 9d., a difference this of £3,390 5s. 8d. Cash in hand and at banks amounts to £40,590 0s. 1d., against £65,424 1s. 1d. last year—a further difference this of £24,834 1s. Now, if you add this amount together with the £3,390 5s. 8d. reduction in the amount of your two investments in stocks and the publishing companies which I have just mentioned, you will arrive at a total decrease under these headings of £28,224 6s. 8d. Against this you must set the £25,899 8s. 6d. excess of your sundry debtors' account over last year, this leaving a decrease of £2,324 18s. 2d. in the combined total of these two important assets as compared with last year's balance. This difference, however, is again covered by the excess of nearly £3,000 in your holdings on account of special dividend reserve in Consols, Colonial and Corporation stock, this standing at £39,494 0s. 8d. cost, against £36,495 10s. 6d. last year. The change in the sale and investment of some securities under the former heading leading to this displacement of figures in the balance sheet. Stock at cost or under, as per inventories certified by me, are taken at £47,830 12s. 11d., against £47,350 0s. 8d. of last year, a small excess this of £480 12s. 3d., which, I may mention, is a very modest estimate of the real value of the extra stock on hand this year. Expenditure on new season's goods, as per invoices, amounts to £5,046 16s. 4d., against £4,706 15s. 3d. last year, this difference, a sum of £340 odd, representing an amount of goods for the new season's trade, which had arrived earlier than last year. The combined assets under the whole of these groups give you a total of £395,606 2s. 1d., against last year's total of £394,161 12s. 5d., a difference in favour of this year of £1,444 9s. 8d. The only remaining item on this side of the balance sheet is that of copyrights, goodwill, &c., which remain at the fixed figure of £240,732 4s. 11d. With regard to the liabilities side of the balance sheet, we have here only the item "Sundry creditors" to deal with. This amounts to £18,995 19s. 6d., as against last year £19,719 3s. 7d., a decrease in liability of £723 4s. 1d. If we add to this the excess asset item of £1,444 9s. 8d. we arrive at a total of £2,167 13s. 9d., this amount representing

the improvement in the financial position of the Company at April 30, 1914, as compared with the corresponding date of last year.

Net Result of Operations.

I come now to the net result of our operations for the year. This is shown by the profit item of £33,117 3s. 10d., against £41,992 1s. 5d. of last year—a decrease this of £8,874 17s. 7d., as to which I think you will admit I have already made ample reference. Adding to this figure the amount brought forward from last year, £5,502 1s. 3d., we have a total of £38,619 5s. 1d., against last year's total of £47,502 1s. 3d. From this sum Preference dividends amounting to £13,750, and an Ordinary dividend to the extent of £6,250, have already been paid, and, after providing for directors' fees, £3,250, we have a net sum of £15,369 5s. 1d. to deal with. Your Board now proposes the payment of a dividend at the rate of 7 per cent. for the past half-year, making, with the 5 per cent. already paid, 6 per cent. for the year, and to carry forward to next year the sum of £6,619 5s. 1d., an increase this in the carry over of £1,109 5s. 3d. You will note that, while the dividend is maintained at the same rate as during the past four years, no addition is made to the general reserve fund, which stands at £48,000. The capital reserve account remains at £8,845 5s. 2d., while the special dividend reserve fund has increased from £39,494 0s. 8d. to £40,544 10s. 7d., making the total of reserves £97,389 15s. 9d., a small increase this, but still an increase of £1,049 9s. 11d. over last year.

The Coming Year.

I venture, in conclusion, to claim your indulgence for a few words with reference to our present year's progress, seeing that in two or three days we will have completed the first three months of our new financial year, always the most important for this Company from the point of view of actual orders already in hand. I am glad to be in a position to inform you that we have every reason to be satisfied with the results of these first three months, which have brought us a capital crop of orders from far and near, from the new collections placed on the market by our various departments on May 1—the date of the opening of our season—the new lines being voted by the entire trade Press among the very best that have ever emanated from Raphael House.

Sir Arthur Conan Doyle seconded the resolution, which was carried unanimously.

UNION COLD STORAGE COMPANY, LIMITED.

The seventeenth ordinary general meeting of the Union Cold Storage Company, Limited, was held on July 28 at Winchester House, Old Broad Street, E.C., Mr. Roger P. Sing (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The earnings for the year ended December 31 last were £143,586, which exceeds those of the previous year by over £10,000. Looking back over the past seven years, our earnings show steady expansion, as will be seen from the following figures: 1907, £66,000; 1908, £70,000; 1909, £80,000; 1910, £104,000; 1911, £111,000; 1912, £133,225; and 1913, £143,586. From the accounts you will see that during the year we have, out of earnings, put aside for depreciation £33,184, and have written off capital expenses account the sum of £10,000. On account of the reserve we have redeemed and cancelled £26,910 of Debenture stock, making the total redeemed to date £188,747. We have also paid off specific mortgages during the year a further sum of £6,000, making a total paid off to date of £22,000. In addition to this, out of revenue, the Company's machinery, plant, and equipment have been efficiently maintained. In November last a new

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issue of £500,000 Four-and-a-Half per Cent. Debenture stock and £500,000 Six per Cent. Preference shares was made, and we are glad to be able to report to you that this was well received. You will have observed that certain remarks have been made in the report relating to the purchase by our managing directors, in their private capacity, of very large cattle stations in Northern Australia, including 230,000 cattle thereon, and to the arrangements that have been made for the erection of freezing works. There are immense possibilities for cattle and sheep raising upon these properties. As time goes on, and if these pastoral properties prove to be a desirable acquisition, they may be acquired by the Company, but a great deal of development work is now being done, and still has to be done, and therefore it was not thought desirable that the Company should take any interest in the purchase until the value of the properties has been proved. We fully anticipate that the freezing works at Port Darwin will prove to be a desirable acquisition, but before any actual purchase is made the shareholders will be consulted in general meeting. The Commonwealth Government are asking for Parliamentary powers to build 1,600 miles of railway, costing about £10,000,000, to connect with the Port Darwin Railway and the South for the development of Northern Australia. As these railways are opened, the freezing works will be of increasingly great benefit to the pastoralists, and consequently will bring increased business to our Company.

Mr. Thomas B. Horsfield seconded the resolution, which was carried unanimously.

THRELFALL'S BREWERY COMPANY, LIMITED.

THE twenty-sixth annual general meeting was held on July 30, at Cannon Street Hotel, E.C., Mr. Charles Threlfall, J.P., presiding.

The Chairman said: This is our twenty-seventh annual meeting and it has been the privilege of the Chairman on every occasion to be able to give you a satisfactory account of the result of our business. To-day it gives me the greatest possible pleasure in asking you to adopt a report and statement of accounts which no doubt you will consider equally as gratifying as those of past years. By comparing the figures with last year's you will readily observe that our business has improved, and your directors feel justified in recommending an increase in the dividend to 10 per cent. for the half-year to June 30, which, with the interim dividend already paid at the rate of 8 per cent. per annum, makes 9 per cent. for the year. I am sure this will be most welcome to our numerous shareholders. The profit on our trading account for the year just ended amounts to £209,368 2s. 6d., against £197,952 3s. 8d. last year, an increase of £11,415 18s. 10d. We have written off for depreciation the sum of £50,599 7s. 2d., against £43,744 8s. 4d. last year, an increase of £6,854 18s. 10d., added £1,000 to the Workmen's Compensation Fund and carried forward the sum of £39,691 16s. 10d. to next year. These figures require no words of mine to commend them to your favourable consideration. You can rest assured that my colleagues and myself will continue to devote our closest attention to the affairs of the Company, so that our present strong financial position may be maintained. I now beg to move the adoption of the report and accounts, and that dividends be paid at the rate of 6 per cent. per annum on the Preference shares, and at the rate of 10 per cent. per annum on the Ordinary shares, for the half-year ended June 30, which, with the interim dividend at the rate of 8 per cent. per annum, makes 9 per cent. for the year.

The motion was seconded by Mr. P. J. Feeny, J.P., and carried unanimously.

The retiring directors and auditors were re-elected.

Mr. M. C. Buzzard, K.C.: I have much pleasure in moving that a hearty vote of thanks be accorded to the Chairman and Directors, as well as to the employees, for their services and the splendid results which they have achieved during the past year. At these meetings in the old days it was frequently very difficult to get a quorum, which was rather satisfactory as showing that everybody was very fairly satisfied with the way in which the affairs of this Company were conducted. It seems to me, judging by the net enormous attendance this morning, that we are, so to speak, returning to the old way of being thoroughly satisfied with the manner in which our affairs are being conducted. We meet this morning certainly in one of the gloomiest periods that this country has known for at least 250 years. We meet in the presence of two great crises, and I can only fervently express the hope that one of these crises will swallow up the other, and that we shall have only one monster to contend with. I do not doubt that, whatever we may think, or whether we may approve or not of the government of the country as at present carried on, we shall be able to cope with what is before us. It is satisfactory to find that, when Consols, our premier security, are rushing up and down, the securities of this Company are unmoved, and that the debenture stock—in which I am mainly interested, as one of the trustees—is firm at the price at which it has stood for

some years past. While I am on that point I should like to say that I do not think there can be a better security than the debentures of this Company, and I speak with the responsibility of a trustee in this matter. They amount to about £1,350,000, in round figures, and are secured on properties which are valued in your balance-sheet at more than £2,500,000, and I almost venture to think that the amount at which they appear in this balance-sheet is very much below the price which they would realise if they were placed on the market.

Mr. H. C. Sharpe seconded the vote, which was unanimously accorded.

The Chairman acknowledged the compliment, and the proceedings terminated.

MANILA RAILWAY COMPANY (1906), LIMITED.

THE seventh ordinary annual general meeting was held at Winchester House, Old Broad Street, E.C., on July 30, Mr. C. J. Cater Scott (Chairman of the Company) presiding.

The Secretary (Mr. J. Mackenzie) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report, said he must admit at once that the results as stated in the report presented were not as satisfactory as those which had followed the fortunes of the Manila Railway during 1913 might have expected.

Increase in Working Expenditure.

So far as the gross earnings were concerned, there was really nothing to complain of, but when they came to the net result it would be found that first of all there had been a general increase in working expenditure—which he took to be the experience of nearly every other company throughout the world—which caused a reduction in net earnings. Then, again, they had to bear a certain burden representing increased interest on the capital employed on the Southern lines, lines which had to a certain extent been completed and bonded, but which it was not thought wise to operate in a more or less uncompleted state. The third item to which he had to allude was the large amount of income tax, to which he would refer later on. These three items had very large reduced the available income of the English Manila Railway Company. It was only fair to add that every railway company carrying out a very large scheme of construction necessarily had to face the locking up from time to time of a large amount of capital, and while the capital expended could not be fully remunerative until the whole scheme was completed, they had earned their full interest charges, and in addition the directors were able to pay a small dividend on the Preference shares, and at the same time to increase the amount of the carry-forward. Under these circumstances he thought they must all admit that the railway had not done badly. Examining the working of the line during the past year, he asked the shareholders to turn to the report of the American Company. In the Northern section they had 305 miles of line in operation, and the total earnings were £208,089, which gave a net average earning of £682 per mile of track. With regard to the Southern lines, the earnings were £91,220, giving an average of £521 per mile of track, and, when they put all the lines all together, the earnings were £291,309, or an average of £608 per mile of track. These figures, he considered, were not unsatisfactory when it was remembered that with railways in course of construction there must be a considerable mileage which did not earn what it might be expected to earn in the future. The report contained a statement of the working expenses, to which he wished particularly to draw attention. Dealing first with the Northern line, and taking the years 1904 to 1911 inclusive, it would be found there had not been a great deal of variation in the working expense ratio, which ran up from about 43 to about 44 per cent., except in the year 1908, when it was 45.64 per cent.; but in 1912 there was a considerable increase in the working expenses, for in that year they rose to 46.37 per cent., and in 1913 they were 47.28 per cent., which was an increase of nearly 1 per cent. over the expense ratio of the previous year.

Rise in the Expenses of Living.

In Manila the ordinary expenses of living had increased very rapidly. Twenty years ago Manila was considered to be one of the cheapest places of residence in the East. He did not desire to say that to-day it was the dearest place for living, but it had got into the class of the dearest. On the Southern lines, in the last three years, there had been a very steady and large increase in the working expenses, which, he confessed, they were not altogether prepared for. There were certain matters to which he would refer to show how this increase of expenditure had arisen. First of all, the Northern lines were 20 years old, and in ten years their goods traffic on that section alone had grown from 146,000 tons to 695,000 tons, and their passenger traffic had grown from 1,335,000 to 6,335,000. In order to deal efficiently with this goods and passenger traffic, it had been necessary to strengthen bridges and other works in order to carry the heavier locomotives which were required. The expenditure

in that respect had thrown a considerable strain upon the revenue, because they were working under the rules of the Inter-State Commerce Commission, and practically the whole of the charge for strengthening bridges and improving track had to be borne out of revenue. In these circumstances many charges fell upon revenue which bore very hardly upon the Company; but they were really revenue charges, and he did not think that they would be justified in charging them to capital. They hoped, however, that in the future they would benefit considerably by the expense they were now meeting from revenue. On the Southern lines the mileage was developing very rapidly. It would be noticed from the report of the American Company that a sugar mill was being erected at Calamba, and he knew of no reason why it should not succeed. There were other smaller sugar mills to be erected elsewhere, and he hoped that it would lead to improved traffics for the railway. A short branch of four or five miles would have to be constructed to the mill at Calamba, which would be capable of producing something like 20,000 tons of sugar a year, and if the cane was there he expected that quantity of sugar would be forthcoming. He did not see why the cane should not be there, because it was indigenous to the island of Luzon. He was not a believer in small mills, but he did believe that if the Calamba mill was successful, the smaller mills might prove successful likewise, and be a source of revenue to the Company.

The Extension of the Railway.

Again, as they pressed forward to the Southern portion of the island they would be able to tap districts which produced hemp and copra, and he believed that when they got into these districts they would secure a valuable traffic in both those commodities. The task of construction during the last few years had been somewhat heavy and anxious. In 1908 they had 208 miles in operation, and in 1913 479 miles, being an increase of 271 miles, and by the end of the present year they expected to have 559 miles in operation, and by the middle of 1916 610 miles, leaving, after that date, only 110 miles to finish the programme of construction. When they were building all this mileage, of course, it had to be paid for, and the only way of paying it was by issuing bonds from time to time. Conditions had not been favourable for issuing bonds, and they had either to issue them at a higher rate of interest or to accept a lower price for them. In any case, the Company, in such circumstances, would be, and had been, heavily hit. The directors in 1910 foresaw this trouble, though he was sorry to say not to its fullest extent. At the time the Northern section was practically completed, and the first charge on it was the "A" and "B" Debenture bonds earned, the interest on which amounted to only £155,200, whereas last year's earnings were £208,000. The Southern section was financed by 4 per cent. bonds guaranteed by the Philippine Government under an Act passed by the United States Congress at Washington. When the Company agreed to build the line, they did not anticipate that there would be any difficulty in selling those guaranteed bonds, but in this respect they had been disappointed, owing to the fall in prices. The bonds had consequently failed to realise the whole cost of construction, and the deficiency had had to be made good out of the proceeds from "A" and "B" bonds, which were a second charge on the Southern section. Therefore, the Board proposed to modify their construction scheme, and to do that the assent of the authorities would have to be asked. The Chairman then proceeded to explain in detail the proposed modification, and went on to deal with the accounts of the English Company. They had received the full amount of interest on the bonds they held in the American Company, which had not distributed in dividend the full amount of their profits, but carried forward something like £6,000. The English Company had received a total of £241,000. The directors' fees amounted to £2,037, showing an increase of £237, which was due to the election as an extra director of his son, Captain Scott, who had been out to Manila and spent some nine weeks on the property, and had made an exhaustive report upon his visit, which was of great value to the Company. There was also an increase in the office expenses, but the main item was the payment of some £5,300 for income tax, which was due to the fact that, after adjusting matters with Somerset House, they had had to pay the tax for four years. This item, of course, would not recur to the same extent; in future it would be about £1,500. There was a balance available for dividend of £123,940, and the Board recommended a dividend at the rate of 1 per cent. on the Preference stock, carrying forward £103,940 to the next account. He concluded by moving the adoption of the report and accounts.

Mr. R. G. Phillpotts seconded the motion, which was agreed to, and, after a short discussion, the report was unanimously adopted.

The retiring directors (Mr. Raleigh B. Phillpotts and Mr. Edmund James Widdrington Byrne) and the auditors (Messrs. Deloitte, Plender, Griffiths and Company) were re-appointed, and the proceedings terminated with a vote of thanks to the Chairman and directors, and to the staff at home and in the Philippines.

THE RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.

THE fifth ordinary general meeting of this company was held at the Cannon Street Hotel, E.C., on July 30, under the presidency of Mr. Charles Arthur Lampard, the chairman of the company.

Mr. J. S. Woodward, A.C.A., representing the secretaries, Harrisons and Crosfield, Ltd., having read the notice convening the meeting and the auditors' report,

The Chairman said: "Ladies and gentlemen, the report and accounts have been circulated for a considerable time, and I have no doubt that you will give me your permission to take them as read."

The Balance Sheet.

Dealing with the balance sheet in the order in which I have dealt with it in previous years, the authorized capital now is £2,000,000, as against £1,000,000 a year ago, and the issued capital paid up is now £725,000 as against, at the corresponding date last year, £525,000. The premium account is £382,377 as against £405,626 in the previous year, the deduction being due to the expenses of the new issue which was made last October. Loans are £257,000, as against £198,000 a year ago. The profit and loss account is £127,593 2s. 8d. against £142,371 12s. 7d. last year. These are the salient changes on the liability side of the balance sheet. Turning to the assets side, investments in shares and debentures amount to £862,789 as against £827,914 a year ago—an increase of £34,875. The liability in respect of calls not yet made has gone down to £79,479 against £101,929 a year ago. The cost of properties and development thereon is £596,769 against £385,455 a year ago. Debtors are £7,207 against £8,862 a year ago, and loans are £19,929 against £34,213 a year ago. Cash at banks in London and in the East is £18,298 against £24,313 a year ago.

The Investments and Depreciations.

The amount invested in the Company is stated in the report, and accounts for 98.4 per cent. of the total holdings, and the small amount which is not printed amounts to 1.6 per cent., so, practically, we have given you the whole of the holdings in the report which has been issued to you. These holdings consist of 82 per cent. in sterling shares, against 84.2 per cent. a year ago; 3.8 per cent. in rupee shares, against the same last year; 3.9 per cent. in guilder shares, against 4.1 per cent.; nothing stands in the balance sheet this year for options at all, against 3 per cent. last year; and 10.3 per cent. are held in debentures, against 7.6 per cent. a year ago. At March 31 last there was a market depreciation on these holdings of £198,768, or a quoted drop of 23.04 per cent. There was a gross deficiency of £259,696, and the surpluses came to £60,908, which makes up the amount I have given you. Practically the whole of this depreciation has taken place in properties which have as yet not had an opportunity of showing what they can do. They are entirely in their development stage, and we are quite sure that if you will allow sufficient time to elapse for them to come into bearing, the depreciation which is recorded to-day is entirely disproportionate to the real intrinsic value of our holdings. Depreciation has from a market point of view gone still further. We have had it taken out this morning, and it shows a further drop of £76,853, and amounts to £275,641 on the shares we hold; but I am quite sure that when these properties get into bearing you may regard these figures—as, in fact, you may regard to-day the figures of all securities—as being in no relation to their intrinsic merits. In the year under review the drop in value on paper has amounted to 34 per cent., and taking a list of 25 well-known representative companies in which this trust has no holding at all, I find that the drop in those companies is 38 per cent. That was the drop at March 31. At the same time that we took

The best for the short game.

THE NON-SKID BALL THE LINK

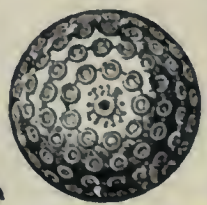
Is the ball with the toughest cover on the market. It ALWAYS keeps its shape.

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THE HELSBY CO.

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our original depreciation the drop in the case of those 25 companies at that date was 38 per cent., as I have said, and since March 31 there has been a further drop of 30 per cent. in those leading companies, whereas our drop has only been a further 12 per cent. I am quite sure that when you realise that the average net cost per acre in bearing of this Trust's holdings is not likely to exceed £60 per acre, you will agree with us that this depreciation is misleading. We have got to look, as I mentioned before, to the intrinsic value of our holdings, and on a net capital cost of £60 per acre in bearing for estates such as those in which this Trust is interested, I am certain that both rubber and tea will, when the bearing point is reached, give a very excellent return on the money invested; and when that point is reached I feel confident that the artificial depreciation which exists to-day will disappear.

The Properties.

Turning to properties and expenditure on the development of same, the total amount invested has risen from £385,455 last year to £596,770 this year. Of that amount £34,134, or 5.7 per cent., is invested in one property in Southern India, and £562,636, or 94.3 per cent., is invested in properties in Sumatra. The planted acreage of these properties at March 31 last was 8,333 acres, as against 5,039 acres in the previous year, or an increase of 3,294 acres. The rubber has increased 673 acres to 3,459, and tea has increased 2,621 acres to 4,874, making the total of 8,333 acres. In our programme last year we had estimated to have 910 acres more than are actually planted, but 283 acres in tea were not undertaken, and 627 acres were not completed at the date of the balance sheet. During the current year our programme is for a further 100 acres of rubber on the Southern India property, and 2,707 acres of tea in Sumatra, and 50 acres of tea in India, so that then the total of the planted acreage will be 11,140 acres, leaving the available reserve of 43,437 acres. This acreage is divided into 10 separate estates, nine being in Sumatra and one in Southern India. Our intention is gradually to extend in tea, if conditions continue favourable, until the total areas developed are 10,161 acres of tea and 3,559 acres of rubber. The position of the 10 estates will then be:—On the Naga Hoeta division we shall have 1,500 acres; on Simbolon, 1,500 acres; on Bah Kapoel, 1,200 acres; on Martoba, 1,500 acres; on Pagar Djawa, 1,500 acres; on Toemoerang, 1,367 acres; on Manik, 1,000 acres. That will be 9,567 acres of tea in Sumatra. On Siantar we shall have 1,500 acres, and on Simarito 1,454 acres, making together 2,954 acres in rubber in Sumatra; and on Koney we shall have 594 acres of tea and 605 acres of rubber. This will make each estate an economical unit for cheap production. The expenditure on these properties is distributed as follows:—In rubber we have invested £192,763, and in tea £377,779, and land not yet devoted to development purposes stands in our books at £26,228. The valuation of the Sumatra properties has been made, as usual, by Mr. Ris, and the one in Southern India by Mr. Lord, the visiting agent, and the valuations together amount to £721,010, showing a surplus over cost of £124,241. The first tea factory in Sumatra was erected on Naga Hoeta estate last year, and manufacture commenced in October. The tea produced so far has been of excellent quality, and realised quite satisfactory prices. We are as yet, of course, only in the initial stages of production, but when in full bearing we can count on a large yield per acre produced at a cost which will give us a very satisfactory profit on the money invested.

Pioneers of Tea Industry of Sumatra.

To be the pioneers of an industry in a new country, as we were in regard to tea in Sumatra, naturally has involved a good deal of anxiety and a good deal of responsibility until it was proved that our judgment in developing tea in that part of the world was going to be a success. Well, ladies, and gentlemen, I do not think there is the least shadow of doubt about that to-day. We have manufactured tea on a small scale only so far. It has come to London, and anyone who has any experience of tea knows that there is no shadow of doubt regarding the quality. Therefore we have only got to rely on the yield per acre and the cost of production, and on both those points we feel quite satisfied, as I told you just now, that the result in the end is going to be exceedingly satisfactory. We have given out contracts for two further factories already—one on Martoba estate, and one on the Simbolon estate, which next year, we hope, will also be brought into bearing. In regard to the two rubber estates, Siantar and Simarito, consisting of 2,954 acres, reports of the growth of the rubber on those two properties continue entirely satisfactory, and Mr. Ris states that from the flow of latex—we have just started the initial stages of tapping—and the appearance of the trees he is convinced that yields from these properties will be quite equal to those in the low country and that the production costs will be the same. The labour force for tapping these two properties is gradually being trained, and contracts for the erection of two permanent factories have already been given out. The labour force employed on the

Trust's estates in Sumatra alone was 6,908, against 5,118 last year, and the health conditions have improved immensely, due to the excellent work of the Trust's medical officer, Dr. Bais. You must realise, of course, that when we went to the Siantar district it was practically a *terra incognita*, and there were very great difficulties we had to face in the initial stages—a remark which always applies to a district which is more or less isolated. But those conditions have entirely changed—largely, of course, as the outcome of the operations of the Trust in this district. What we have done has attracted other people who have come to see whether the operations of the Trust were likely to be successful, and they have also come to the conclusion that they were likely to be successful. They have taken up a considerable amount of land which they are developing themselves, and so Siantar, which was a village of mud huts when I first went there, is to-day quite a considerable town, and the railway will be there, I believe, certainly within two years. The conditions, therefore, have been entirely revolutionised since we first started in this district. There can be no shadow of doubt as to the richness of the soil. The yield we shall get from our tea will, I think, be astonishing. We have erected a large permanent hospital, which is now practically complete and ready for occupation as soon as the water supply ordered is in working order. We have spent on this hospital a large sum, which will amount, possibly, to £20,000, but we feel quite sure that that will be an excellent investment if it achieves the object in view, which is to safeguard the welfare of our labour force. The health of the European staff, I am glad to say, has been entirely satisfactory. We have during the year appointed as acting general manager of the Trust's properties in the Siantar district Mr. C. G. Slotemaker, a man who has had very long experience in Sumatra, who is a very able man indeed, and I am quite confident that under his guidance we may be perfectly satisfied that the interests of the Trust will be safeguarded in every possible way. Coupling our investments and properties together (I think that this information will possibly be of interest to you) we have in rubber £699,614, or 47.9 per cent. of the total capital that we have invested altogether; in tea we have £200,407, or 42.2 per cent.; and in tobacco, coconuts, and other products we have £117,310, or 8.1 per cent. In undeveloped land, as I have told you before, we have £26,228, or 1.8 per cent.

Profits.

Turning to the profits, the gross profits have been £52,391, and expenses, including interest on borrowed capital, have been £18,357, leaving a net profit of £34,034, as against £82,971 in the previous year. With our carry-forward we have a total available profit of £147,530, of which there has already been distributed £19,937, leaving a balance for disposal to-day of £127,593, which, with your permission, we propose to deal with in accordance with the recommendations set out in the report, leaving us to carry forward to next year £107,655 12s. 8d. There have been, I know, comments that we should not distribute a dividend. The carry-forward this year will be, of course, £5,840 less than the amount brought in, but, with the exception of last year, it is a very much bigger carry-forward than we have had in any previous year, and, as I have endeavoured to make plain to you at our previous meetings, we have had in our minds a very definite policy in regard to building up that carry-forward. We knew that our policy of developing our own properties meant a certain interregnum must take place between planting these properties and bringing them into bearing. Therefore we set aside, in the shape of carry-forward, a considerable proportion of our previous profits in order that we might legislate for a time when there was depression and before the properties had had an opportunity of contributing to our revenue, and that is the reason why we recommend to-day the distribution which we put before you, and which we believe to be entirely safe and sound. There is, of course, a penalty attaching to the policy we have pursued. It is the penalty of having to wait. You cannot plant tea or rubber to-day and get your profits from it to-morrow or within a year. Tea means a lock-up of four to five years, and rubber means a lock-up of six to seven years, and, ladies and gentlemen, if that were not so there would be very little in the growth of either of those products. It is the necessary wait which makes them what, in my belief, they are—very sound and very solid, and things which, while there may be fluctuations, over a long run of years will give you a very excellent return on the capital you put into them. It was to cover this waiting period that we built up our carry-forward, a small proportion of which we propose to deal with in our distribution to-day. To show you the point at which we are, and the initial stages of the development, I may mention that we have £526,463 or 36.12 per cent. of our total investments which, as yet, have given no return at all, and we have £933,096 or 63.88 per cent. which, as yet, on an average have only yielded us 2.64 per cent. That is entirely due to the initial stages. As those things fructify, you see what an opportunity there must be before us of our revenue steadily increasing.

A Development Company.

You must look on this really as a development company, producing as yet on a very small area, but adding year by year additional areas which bring us profits. It has up-keep expenditure to provide for till the areas reach the producing stage, but it also has the ability to earn profits in other directions from time to time when circumstances are favourable and opportunities occur. I am asked to state our policy regarding future finance. I have told you previously that in due course our capital would be gradually called up, and what I have said before on this point holds good to-day; but whether a call will be made in the near future or further capital will be issued depends, of course, on circumstances, and as yet the matter has not been considered or been decided upon by your board. It has been our policy to finance a certain amount of our requirements on the security of our large holdings of shares and Debentures, in addition to which, of course, we have the uncalled capital of £675,000, but this is a policy which can only be carried out within certain defined limits in order to be sound.

The Intrinsic Position.

There is one other point to which I should like to refer—the question respecting the value of our shares, about which a number of people have put questions to me. I am going to let you settle that for yourselves by telling you what the position is. The premium account in the balance-sheet is £382,000, and, if you deduct the present deficiency of £275,000, less the surplus on properties of £124,000, it leaves a balance to the credit of premium and reserve account of £231,000. If you add the profit and loss carry-forward of £107,000, which will be the amount after providing the dividend, you have got £338,000, which, on a paid-up capital of £725,000, is 9s. 4d. in the £, or 4s. 8d. premium on every partly paid share. That is what might be called to-day the break-up price of the trust, if you believe that the depreciation which has been put on its holdings by the market is true. But I do not. I believe that that depreciation is purely nominal.

Synthetic Rubber.

To deal with more general subjects. I have had a good many letters in regard to synthetic rubber. I believe I have had that question to deal with almost every year of our meetings here. I have never taken up the position that the manufacture of synthetic rubber was impossible. I have said I do not believe it. I have taken up the position that as a commercial proposition it is impossible, on the basis of cost, and last week I had, I believe, the most eminent German rubber chemist in to see me, who is at the head of a very large rubber works indeed, and a chemist's opinion is no good unless he is a rubber chemist. He said to me, "I am in a position to know a great deal about synthetic rubber, and I can assure you that before it becomes a practical proposition for you and me to consider, we shall both be in Heaven, or elsewhere."

Plantation v. Wild Rubber.

In regard to plantation rubber, the statistics all go to prove that there is a gradual falling-off in the receipts of the lower grades of wild rubber. We have always believed that would be so. We do not think there has been sufficient time to make it effective yet, but there is distinct evidence that the output of the lower qualities at least of wild rubber is gradually diminishing. At the end of June last the world's total landed visible supply of rubber was 9,359 tons, as against 10,298 tons in the previous year—and the quantity of rubber, plantation rubber, in London on July 25 was 3,290 tons, as against 2,795 tons in the previous year. In spite of the largely increased receipts, the stock is only infinitesimally up, and, when you consider that it is not a month's stock, there is no shadow of doubt about the position of the industry as a whole.

Consumption and Production.

As far as one can see, consumption is fully keeping pace with production, and another point about which there is no doubt at all is that plantation rubber is steadily making its way all over the world. Manufacturers who once suggested they could not use it for their tyres are now competing with one another, both in America and in this country, in advertising the fact that they do make their tyres practically entirely of plantation rubber. We have known that as a fact for a good long time, but now, as an additional advertisement, manufacturers are setting out the fact to the world at large. I look this year for a world's consumption of rubber of round about 130,000 tons, of which 70,000 tons will be supplied from the Middle East, and 60,000 will be contributed by the balance of the world.

Lower Prices Not Detrimental to the Industry.

The lower prices which we have been taking are not, as I have always held the opinion, detrimental to the industry. They will undoubtedly stimulate consumption, and, while gradually eliminating the lower grades of the wild rubber, will entirely remove, even if it ever existed, which I have doubted, the question of over-production. With gradually reduced costs of production and a growing market for our

products, I feel quite sure that our money in rubber and in tea will give very satisfactory returns. People think we have put a large proportion of our money into tea because we had doubts about rubber, but, gentlemen, that is not correct. We have thought it wise to have a dual interest, but our belief in rubber is just as strong as it has ever been. And while under surrounding circumstances, and with the shadow, possibly, of something which we all do not like to think about, it is very difficult to speak cheerfully of anything, still I do believe that we may regard this threatened danger as a temporary thing only, for I absolutely refuse to believe that the whole world is going to allow itself to be involved for the transgression of one petty State, which would penalise the people of every civilised country.

Cheerful View of Prospects.

I do not believe that, and, therefore, having that conviction, I am able to take a cheerful view of our holdings and the prospects which are before us. They have not altered at all. We shall get a good profit out of tea; we shall get an excellent profit out of rubber, and the only thing which it is necessary for you to do is to be reasonably patient until the policy which we have pursued has had an opportunity of showing itself. We have not invested your money in properties with a high acreage cost. We have kept steadily before us that it must be a low acreage cost if we are going to walk on safe ground. We have done that throughout. As I have said, there is the penalty of waiting, but the reward is that in the end our capital is safe. I now move the adoption of the accounts and balance-sheet, and report of the directors and auditors, and I will call upon Mr. Croll to be good enough to second that; and then, if there are any questions which anyone wishes to ask before putting that resolution to the meeting, I shall have very much pleasure in answering them to the best of my ability.

Mr. George Croll: Ladies and Gentlemen, your Chairman has dealt so comprehensively with everything relating to this Trust that I think I might content myself with formally seconding the adoption of the report; but before doing so there is just one matter which I should like to further refer to, and that is the question of the depreciation. Mr. Lampard has told you that the depreciation is represented by a certain number of companies which are at present in the purely development stage. When I seconded the adoption of the report at the meeting last year I had then recently returned from a visit to the East, during which time I visited all these properties. I then told you that I was perfectly satisfied that the conditions prevailing on them were in every way satisfactory. Since then nothing has transpired which in any way alters my opinion, and therefore I am perfectly satisfied that the view which the directors have stated, that the depreciation is only of a temporary nature, is a perfectly sound one. It may be known to many of you here that at one time the public paid over £1,000 sterling per acre for their interest in certain rubber companies. We state here that taking the whole of the Trust interests when in full bearing they will not represent more than £60 per acre; and if you take them at the present depressed price of the Trust's shares, it would not be more than £50 per acre. I think, therefore, that that is a very strong argument in favour of the view which your directors have taken. I now beg to formally second the adoption of the report and accounts.

After questions from Messrs. Williams, Scott, Harfey, and Fisher had been replied to, and after Mr. Lea Smith had spoken, the motion for the adoption of the report and accounts was put and carried.

The Chairman proposed "That a final dividend of 2½ per cent. for the year ended March 31, 1914, as recommended by the directors, be declared and paid."

Mr. C. Denny seconded the resolution, which was carried.

Mr. E. L. Hamilton proposed the re-election of Sir Frank Swettenham and Mr. Hoare as directors of the Company.

This was seconded by Mr. G. M. Edwards and carried.

Mr. Edwards proposed a vote of thanks to the chairman and board of directors, and to the staff in the East, which was carried.

AUSTRALIAN BANK OF COMMERCE.—Dividend at the rate of 3 per cent. per annum, place £10,000 to reserve, and carry forward £3,036.

BRISTOL TRAMWAYS AND CARRIAGE COMPANY.—Interim dividend at rate of 4 per cent. per annum.

CITY OF BUENOS AYRES TRAMWAYS COMPANY (19043).—Dividend at the rate of 5 per cent. per annum, less income tax, for three months.

COMMERCIAL BANKING COMPANY OF SYDNEY.—Dividend at rate of 10 per cent. per annum, and £50,000 was added to the reserve fund, which now amounts to £1,750,000.

HOLBORN AND FRASCATI.—Interim dividend on Ordinary at rate of 5 per cent. per annum, less tax.

SCOTTISH INSURANCE CORPORATION.—Interim dividend at rate of 20 per cent. per annum.

WESTMINSTER ELECTRIC SUPPLY CORPORATION.—Interim dividend on Ordinary shares at the rate of 10 per cent. per annum, less tax.

RAND GOLD OUTPUT.

Simmer Deep.—Capital issued, £1,650,000 in £1 shares. There are £604,400 of Five-and-a-Half per Cent. First and £262,500 of Five per Cent. Second Debentures. Nine tube mills.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913 ... 189av.	709,900	3½	578,364	18/3	523,654	14/9	54,710 1/6 2/3
1914.							
Mar. qr. 180	160,400	1	120,851	15/0	112,025	13/11	8,826 1/1 2/0
Apr. ... 180	49,950	1	40,514	16/2	37,713	15/1	2,801 1/1 2/6
May ... 180	49,250	—	42,634	17/3	39,491	16/0	3,143 1/3 1/6
June ... 180	49,400	—	43,148	17/6	38,545	15/8	4,603 1/10 1/6

Simmer and Jack.—£3,000,000, in £1 shares; 320 stamps and seven tube mills. Mining results are given below, and rental revenue, estimated at £2,000 a month, has to be added to profits.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1912-13...	320	812,200	4½	976,100	21/5	506,246	11/1 469,654 10/4 ½
[Plus £38,075 additional rental and interest revenue for 1912-13.]							
1913-14.							
Sept. qr. 320	194,300	3	200,536	20/7	118,571	12/2	81,965 8/5 ½
Dec. qr. 320	201,500	2½	211,667	21/0	115,469	11/5	96,198 9/7 ½
Mar. qr. 320	193,830	2½	199,807	20/7	109,678	11/3	90,129 9/4 ½
Apr. ... 320	68,000	2	62,947	18/6	37,864	11/2	25,083 7/4 ½
May ... 320	58,500	—	63,163	21/7	38,348	13/1	24,815 8/8 ½
June ... 320	53,500	—	61,609	23/0	36,747	13/9	24,862 9/3 ½
12 mos. 320	769,600	—	799,729	20/9	416,677	11/11	343,052 8/10 ½

Gold reserve: Oct., 1,725; Nov., 2,275; Dec., 2,775; Jan., 3,750; Feb., 3,250; March, 2,750 oz.

Dividends—1913, June, 7½; Dec., 6½ per cent.
1914, June, 5 per cent.

Transvaal G. M. Estates.—£604,225 in £1 shares; £105,564 of Debentures. Three tube mills.

Year ends Mar. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1912-13 ... 75	172,759	469,629	54/4	191,678	22/2	277,951*	32/2 2½
* £5,100 sundry net revenue not included.							
1913-14 ... 75	166,410	474,949	57/1	189,693	22/10	285,256	24/3 2½
1914-15.							
Apr. ... 75	13,735	35,422	61/7	16,093	23/6	19,329	28/1 2½
May ... 75	15,250	38,923	51/0	16,683	22/1	22,040	28/11 1½
June ... 75	14,490	42,904	59/2	16,928	23/4	25,975	35/10 1½

* Slightly lower grade. Two days' public holiday. Breakdown of power line.

Dividends—1912, March, 12½; Sept., 17½ per cent.
1913, March 20; Sept., 20 per cent.
1914, March, 17½ per cent.

Unfied Main Reef.—£250,000, in £1 shares
Tube-mill plant has been erected.

Year to June 30	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913 ... 60	147,390	16½	189,798	25/7	131,220	17/7	58,578 8/0 ½
1914.							
Mar. qr. 60	37,200	15½	43,413	25/4	28,304	15/3	15,109 8/1 1½
Apr. ... 60	12,430	14½	14,083	22/8	8,892	14/4	5,191 8/4 ½
May ... 60	12,760	—	14,342	22/6	9,139	14/6	5,203 8/0 ½
June ... 60	12,910	—	14,454	22/5	9,181	14/5	5,273 8/0 ½

Dividends—1913, June, 10; Dec., 10 per cent.
1914, June, 10 per cent.

Van Ryn.—£500,000, in £1 shares. Batteries, 180 stamps. Six tube mills.

Year to June 30	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1912-13 135av.	456,190	8	677,858	27/11	364,669	16/0	272,519 11/11 3½
1913-14.							
Sept. qr. 136½	103,770	5½	136,394	26/3	75,933	14/8	60,461 11/7 3½
Dec. qr. 136½	115,140	8½	159,905	27/9	90,442	15/9	69,463 12/0 3½
Mar. qr. 136½	104,590	9½	137,632	26/3	88,633	16/6	50,999 9/9 3½
Apr. ... 140	38,800	9½	54,049	28/0	30,970	16/1	23,079 11/11 3½
May ... 140	39,600	—	53,181	27/1	30,933	15/7	22,648 11/8 3½
June ... 140	38,200	—	50,340	26/4	29,091	15/6	21,249 10/8 3½
12 mos. 138av.	439,900	—	591,901	26/11	344,002	15/8	247,899 11/3 3½

Dividends—1913, June, 25; Dec., 22½ per cent.
1914, June, 22½

Van Ryn Deep.—Capital, £1,196,892, in £1 shares. 80 stamps, 8 tube mills, started July 14, 1913.

Year to June 30	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914.							
Mar. qr. av. 70	103,740	13½	171,532	33/0	97,266	18/9	74,266 14/3 2½
Apr. ... 80	40,000	12	66,260	33/2	34,253	17/5	32,007 15/9 2½
May ... 80	42,080	—	69,535	33/1	34,934	16/11	34,601 16/2 2½
June ... 80	42,620	—	70,586	33/1	33,924	16/3	36,662 16/10 2½

Dividends—1913, Dec., 7½ per cent.
1914, June, 12½ per cent.

Village Deep.—£1,060,671, in £1 shares. 180 stamps; seven tube mills. The plant has now a capacity of fully 50,000 tons per month.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913 ... 180	535,300	12½	798,688	29/10	551,578	20/7	247,110 9/3 1½
1914.							
Mar. qr. 180	137,100	11	190,067	27/8	132,160	19/3	57,907 8/5 1½
Apr. ... 180	50,300	12½	69,443	27/8	42,285	16/9	27,158 10/9 1½
May ... 180	52,500	—	73,839	28/1	43,735	16/8	30,104 11/6 1½
June ... 180	51,800	—	74,625	28/9	43,629	16/10	30,996 11/11 2

Dividends—1913, June, 10; Dec., 5 per cent.
1914, June, 10 per cent.

Village Main Reef.—£472,000, in £1 shares. Six tube mills. Wemmer mill now discontinued.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913 ... 220	435,982	18½	786,341	36/0	403,357	18/6	382,984 17/6 1½
1914.							
Mar. qr. 220	95,210	17½	178,491	37/1	89,113	18/9	87,378 18/4 1½
Apr. ... 160	30,050	30	62,146	41/4	28,297	18/10	33,849 22/8 1½
May ... —	33,000	—	61,336	37/2	29,201	17/9	32,135 19/6 1½
June ... —	30,750	—	55,839	36/3	25,616	16/8	30,223 19/7 2

1913 returns and since include profit from accumulated slimes.

Dividends—1913, June, 35; Dec., 35 per cent.
1914, June, 35 per cent.

West Rand Consolidated.—£2,025,000, in 2,000,000 Ordinary shares of £1 and 25,000 Deferred shares of £1 each. £475,000 Convertible Six per Cent. Debenture issue. Plant capacity about 33,000 tons per month. The Company at December 31, 1913, had some £170,000 of working-capital resources.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1912 ... 100	334,420	17½	455,992	27/3	381,288	22/9	74,707 4/6 15/6
1913 ... 100	321,050	20	456,271	23/5	365,052	22/9	91,219 5/3 7/9
1914.							
Mar. qr. ... 100	62,550	16	77,666	24/9	70,515	22/6	7,151 2/3 8/6
Apr. ... 100	26,100	13½	33,639	25/9	25,980	19/11	7,659 5/10 8/6
May ... 100	26,800	—	34,021	25/5	26,887	20/1	7,134 5/4 7/6
June ... 100	26,300	—	31,717	24/1	26,024	19/10	5,693 4/3 7/6

Witwatersrand Deep.—£550,000, in £1 shares. £32,200 of Five-and-a-Half per Cent. Debentures now in issue. Four tube mills.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1912 ... 245	451,000	9½	631,231	28/0	423,224	18/11	205,007 9/1 2½
1913 ... 243½av.	518,220	9½	710,613	29/0	447,355	17/4	303,228 11/8 2½
1914.							
Mar. qr. 245	123,570	10½	164,017	26/8	100,223	16/2	63,794 10/4 2½
Apr. 245	41,300	11½	55,781	27/0	34,341	16/8	21,440 10/4 2½
May 245	45,420	—	57,278	25/2	36,260	15/11	21,018 9/3 2½
June 245	44,630	—	55,038	25/1	34,816	15/7	21,222 9/6 2½

Dividends—1912, June, 12½; Dec., 12½ per cent.
1913, June, 15; Dec., 20 per cent.
1914, June, 15 per cent.

Witwatersrand (Knight's).—£469,625, in £1 shares. Sundry revenue, say £2,000 a month, included only in monthly profits below. Mill 225 stamps; five tubes added October 1913; total capacity about 45,000 tons per month.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913 ... 220	449,400	14½	576,431	25/7	330,779	14/9	245,652 10/10 3½
1914.							
Mar. qr. 215av.	119,660	15½	144,754	24/2	82,730	13/10	62,024 10/4 3½
Apr. ... 210	38,430	14½	47,677	24/10	24,145	13/8	23,532 11/2 3½
May ... 210	42,180	—	51,463	24/0	25,152	12/11	25,311 11/1 3½
June ... 210	41,820	—	50,910	24/4	25,563	13/2	25,347 11/2 3½

Dividends—1913, June, 25; Dec., 25 per cent.
1914, June, 25 per cent.

Wolhuter.—£860,000, in £1 shares. Four tubes.

Year ends Oct. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1912-13 120	340,950	11	450,395	26/5	311,002	18/3	139,393 8/2 ½
1913-14.							
Jan. qr. 120	89,100	8½	116,631	26/2	79,212	17/9	37,339 8/5 ½
Apr. qr. 120	96,500	8½	120,649	25/0	81,401	16/10	39,248 8/2 ½
May ... 120	34,100	—	41,965	24/7	27,730	16/3	14,235 8/4 ½
June ... 120	32,700	—	41,031	25/1	27,031	16/6	14,000 8/7 ½

Dividends—1913, April, 6½; Oct., 3½ per cent.
1914, April, 6½.

ABOSSO GOLD.—Issued capital, £400,000, in £1 shares.

Year ends	Tons	Value	Estimated	Approximate*	Price				
June 30	Stps. Milled	£	Per Ton	£	Per Ton	end of Period			
1911-12...	42 ^{av.}	69,322	164,782	36/10	119,226	26/8	20,015	4/5	1½
1912-13	39 ^{av.}	104,400	185,146	35/5	133,092	25/6	31,878	6/7	1½
1913-14.									
Sept. qr.	35	24,060	44,248	36/9	32,657	27/1	6,728	5/7	1½
Dec. qr.	40	21,761	38,312	35/2	29,582	27/2	4,558	4/2	1½
Mar. qr.	40	21,971	36,583	33/3	28,724	26/1	4,784	4/4	1½
Apr. ...	40	7,900	12,647	32/3	10,796	27/4	1,697	4/4	1½
May ...	40	5,020	7,952	31/8	8,953	35/8	1,001†	4/0†	1½
June ...	40	7,050	12,551	31/7	11,337	32/4	219	-7/	1½
12 mos.	39 ^{av.}	87,752	152,303	34/8	122,109	27/9	18,985	3/11	

* After allowance for depreciation and taxes.

† Loss: breakdown, rock-breaker and air compressor.

Dividends—1910, Jan. 5, May 5, Dec. 5 per cent.

1912, Dec., 5 per cent.

1913, Oct., 5 per cent.

BROOMASSIE.—Capital £350,000, in 700,000 10s. shares; issued, 400,359 shares. In issue, £46,041 Six per Cent. Debentures. Milling operations were restarted on March 1, 1911.

Year ends	Tons	Total	Mine & Develop.		Est.	Price of	
Sept. 30	(2,000 lb.)	Yield	Per Ton	Per Ton	Profit	Per Ton	Share at end of Period
1911-12 ...	34,081	119,061	70/1	71,685	42/2	47,504	27/11 4/8
1912-13 ...	36,812	142,031	77/2	79,814	43/3	62,477	33/11 8/3rd
1913-14.							
Dec. qr. ...	6,720	23,840	79/10	20,549	61/2	6,291	18/8 6/0
Mar.*qr. ...	6,391	23,236	92/9	23,582	74/9	5,674	18/0 5/6
Apr. ...	2,826	12,093	85/6	9,864	69/9	2,229	15/9 4/8
May ...	2,962	13,094	88/4	8,910	60/2	4,184	28/2 2/8
June ...	3,774	13,763	72/11	9,990	52/6	3,853	20/5 2/5

* March return affected by heavy coal consumption and repairs to plant.

Monthly profits are subject to deduction of transport charges.

Dividends—1912, Dec., 10 per cent.

1913, Sept., 10 per cent.

DOMINION BANK.—Profit for six months to June 30, 1914, \$473,969.92, compared with \$457,992.21 corresponding half-year, 1913.

MATHER AND PLATT.—Interim dividend on Ordinary of 5 per cent., tax free.

PERRY AND COMPANY.—Interim dividend on Ordinary shares at rate of 15 per cent. per annum, tax free.

WESTERN WAGON AND PROPERTY COMPANY.—Interim dividend at rate of 10 per cent. per annum.

TOMBOY GOLD.—Capital in issue, £300,000, in £1 shares. Recent crushings have been as under:—

Year ends	Ore Milled Tons	Value		Working Expenses*		Working Profit		Price end of Period
			Per Ton		Per Ton		Per Ton	
June 30								
1911-12 ...	107,577	951,981	8.87	504,040	4.63	490,941	4.18	1½rd
1912-13 ...	129,818	1,040,357	8.02	569,011	4.39	471,346	3.63	1½rd
1913-14.								
Sept. qr. ...	32,500	242,500	7.48	148,000	4.58	106,150†	3.27	1½
Dec. qr. ...	35,500	243,800	6.86	153,000	4.31	160,000†	2.81	1½
Mar. qr. ...	34,515	240,300	6.96	154,000	4.46	90,300†	2.61	1½
Apr. ...	12,000	79,000	6.58	52,000	4.33	30,050†	2.50	1½
May ...	12,000	78,400	6.53	48,500	4.04	31,200†	2.52	1½
June ...	11,600	90,000	7.83	49,000	4.26	42,000†	3.65	1½rd
12 mos. ...	138,010	974,000	7.06	504,000	4.38	399,700	2.89	1½rd

* Including expenditure on construction and improvements.

† Including tramway profit.

Dividends declared.—On account of year 1910-11, December, 10; June, 10 per cent. 1911-12, December, 5; June, 5 per cent. 1912-13, December, 7½; June, 10; 1913-14, December, 10, June, 10 per cent.

ALASKA TREADWELL.—Capital \$5,000,000, in \$25 shares; Milling results have been as follows:—

Mining Results Have Been As Follows:								
Yr. ends	Ore Milled Tons	Gold Yield		Total Working* Costs		Net Mining Profit		London Price of Shares end of Period
		Per Ton	Per Ton	Per Ton	Per Ton	Per Ton	Per Ton	
Dec. 31		£	Ton	£	Ton	£	Ton	
1912 ...	892,192	441,177	9/10	214,461	4/9	226,718	5/1	8½
1913 ...	888,057	471,684	10/8	222,104	5/0	249,575	5/8	7½xd
1914.								
Mar. qr.	215,377	114,843	10/7	43,299	4/1	70,744	6/8	8½
Apr. ...	80,724	37,400	9/3	16,600	4/1	20,800	5/2	8½
May ...	83,706	37,853	9/1	17,780	4/3	20,173	4/10	7½xd
June ...	79,254	42,400	10/8	17,400	4/5	25,000	6/3	2½

* Including construction expenditure.

Dividends per cent.—1912, Feb., 3; May, 3; Aug., 3; Nov., 4; total 13. 1913, Feb., 4; May, 4; Aug., 4; Nov., 4; Dec., 4 (bonus). 1914, Feb., 4; May, 4 per cent.

ANGLO-MALAY RUBBER COMPANY.—Interim dividend of 6 per cent. (actual) on paid-up capital.

MARBELLA IRON ORE COMPANY.—Interim dividend at rate of 3½ per cent., less tax.

ROTHERHAM, JEREMIAH, AND COMPANY.—Interim dividend on Ordinary at the rate of 7 per cent. per annum.

VICKERS.—Interim dividend of 1s. per share, tax free, on Ordinary shares.

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Unissued600,000

.....\$5,000,000

Capital Issued and Paid up£2,250,000

Reserve Fund1,560,000

Uncalled Liability of Shareholders2,250,000

Total responsibility for Creditors\$6,060,000

Head Office: OLD BROAD STREET, LONDON, E.C.

Paris Branch: 19 Boulevard des Capucines and

23 Rue de la Paix.

Hamburg Branch: 3 Adolphplatz.

New York Agency: 60 Wall Street.

Branches and Correspondents in all the principal places of South America.

Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Funds, the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bonds, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

BANCO ESPANOL DEL RIO DE LA PLATA.

ESTABLISHED 1886.

7 FENCHURCH STREET, LONDON, E.C.

SUBSCRIBED CAPITAL	\$100,000,000	=	£5,730,155
CAPITAL PAID UP	\$97,637,910	=	£5,515,214
RESERVE FUND	\$47,024,393	=	£4,105,304
NEW RESERVE FUND	\$1,477,254	=	£128,987

Head Office: BUENOS AIRES.

ARGENTINE REPUBLIC: BRAZIL: RIO DE JANEIRO, EUROPE: PARIS, MADRID,

54 BRANCHES IN THE SÃO PAULO AND SANTOS. VIGO, BARCELONA, VALENOLA,

PRINCIPAL CITIES. URUCUAY: MONTEVIDEO. OORUÑA, BILBAO, SAN SEBAS-

TIAN, GENOA, HAMBURG.

Every Description of British and Foreign Banking Business Transacted.

LETTERS OF CREDIT furnished on all parts of the world.

CURRENT AND DEPOSIT ACCOUNTS opened on terms to be ascertained on application.

BILLS OF EXCHANGE negotiated or advanced against.

COLLECTIONS.—Bills collected at most reasonable rates and returns promptly made.

FOREIGN EXCHANGE bought and sold; cable and mail transfers made to all parts of the Continent and Cities in North and South America.

STOCKS bought and sold, Dividends collected, and advances made against securities. Coupons and drawn bonds collected and negotiated.

SHIPPING Credits opened; Freight collected and remitted. Ships' disbursements attended to.

THE NATIONAL BANK OF SCOTLAND LIMITED

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.
RESERVE FUND, £900,000.

Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

FARROW'S BANK, Limited.

(Incorporated under the Joint Stock Companies Acts.)

ANNUAL REPORT AND BALANCE SHEET, JUNE 30th, 1914.

Chairman and Managing Director, MR. THOMAS FARROW.

HEAD OFFICE - - - - - 1 CHEAPSIDE, LONDON, E.C.

EXTRACTS FROM ANNUAL REPORT.

The Directors of Farrow's Bank, Limited, have pleasure in presenting to the Shareholders the accompanying Statement of the Accounts of the Bank for the year ended June 30th, 1914.

The net profit, including the balance of £8,664 14s. 5d. from last account, is £37,476 4s. 8d. The Directors have added £7,500 to the Reserve Fund; have paid an interim dividend for the half-year ended 31st Dec. 1913, amounting to £7,974 3s. 3d., and now recommend the payment of a final dividend of 4 per cent., less Income Tax, which will absorb the sum of £13,637 15s. 1d., making a total dividend of 7 per cent. for the year. The sum of £8,104 8s. 4d., being undivided profit, has been carried forward to the next financial year.

The following Table gives the Credit Balances of the Current and Deposit Accounts, and the total Assets on the 30th June in each year, since the incorporation of the Bank under the Companies Acts:—

	Current Accounts.			Deposit Accounts.			Assets.			Dividends.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
1908	87,625	13	2	78,679	4	5	226,285	17	4	6	per cent.	
1909	114,393	7	10	170,003	3	7	358,391	0	2	6	"	
1910	203,973	16	9	350,465	15	6	636,305	6	8	7	"	
1911	262,456	13	0	438,940	14	6	875,880	4	7	7	"	
1912	294,681	4	1	494,081	8	8	1,031,135	13	2	7	"	
1913	336,875	0	3	643,075	17	10	1,277,533	14	4	7	"	
1914	397,940	13	0	838,604	17	6	1,649,604	0	7	7	"	

The recently published Official Return of all Metropolitan and Provincial Joint Stock Banks having a Capital of £1,000,000 upwards, giving the proportion of capital and reserve to liabilities, shows that Farrow's Bank, Ltd., again occupies the first place, with a percentage of 29 as compared with percentages in the other cases varying from 23 per cent. to 7 per cent.

The Bank's Commercial, Stocks and Shares, Investment, Foreign Business and other Departments have largely contributed to the profits earned during the year.

New Branches have been opened at Ilford and Edgware Road, and others are about to be opened at Newcastle, Southport, Halifax, and Richmond (Surrey).

BALANCE SHEET, 30th JUNE, 1914.

LIABILITIES.

Capital—				
1,000,000 Shares of £1 each.				
700,000 Shares Issued.				
Reserve Liability	...	...	...	£336,757
Amount called up	...	...	...	362,834
Amount paid up	...	...	...	£353,616 8 8
Reserve Fund (invested as per Contra)...	...	...	...	37,500 0 0
Current and other Accounts	...	...	...	397,940 13 0
Deposit Accounts (Subject to Notice)	...	...	...	838,604 17 6
Net Profit (including balance from last account)	...	...	...	£37,476 4 8
Reserve Fund, Interim Dividend, &c.	...	...	...	15,734 3 3
				21,742 1 5
				£1,649,604 0 7

ASSETS.

Cash—				
In Hand and at Bankers	...	...	...	£122,613 10 7
Reserve Fund, Consols (at 75)	...	...	...	37,500 0 0
Investments—				
Consols, Government Guaranteed Stocks, British, Foreign and Colonial Railway Debenture and Preference Stocks, Freehold and Leasehold Properties, and other Investments, less depreciation	...	...	...	550,738 19 9
Advances to Customers, Loans, Bills discounted and other Accounts, after deducting provision for bad and doubtful debts	...	...	...	860,557 6 2
Bank Premises and Fittings, less depreciation	...	...	...	78,194 4 1
				£1,649,604 0 7

AUDITORS' REPORT.

WE REPORT TO THE SHAREHOLDERS that in accordance with the provisions of the Companies' (Consolidation) Act, 1908, we have obtained all required information and explanations respecting the above Balance Sheet. We have verified the Cash Balances, Bill and Investments set forth therein. We have also examined the Securities, Books and Vouchers of the Bank, and in our opinion the said Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and explanations received, and as shown by the Books of the Bank.

HART & CO.,

London, 20th July, 1914.

Chartered Accountant, } Auditors.



No. 194

A NEW ROUTE TO WATFORD

Route No. 173 runs every day except Sundays and Bank Holidays from SOUTH HARROW STATION (District Railway) to WATFORD.

VIA STANMORE
HARROW WEALD
BUSHEY
Through Fare 6d.

The Motor-Buses run to meet the trains and form a new connection for the western suburbs.

WATFORD SOUTH HARROW
9.17 a.m. First Bus 8 a.m.
8.54 p.m. Last Bus 10.5 p.m.

VIA THE
DISTRICT RAILWAY

The London General Omnibus Co., Ltd.,
Electric Railway House,
Broadway, Westminster, S.W.

D

THE BRITISH BANKING SUPPLEMENT

OF

"THE STATIST"

(JULY 25, 1914).

An elaborate work showing the development of British Banking and individual Banks.

Should be in the hands of all seeking information as to the economic progress of the Nation.

Contains a mass of information never before presented in such an interesting form.

Price 1/-; Post Free 1/-1/2.

Colonies and Abroad, 1/6.

Bound in Cloth 2/-; post free 2/6

Address The Publisher,

"THE STATIST," 51 CANNON STREET, E.C.

BANK OF MONTREAL.

Established in 1817.
 Capital Paid up, \$16,000,000.
 Reserve Fund, \$16,000,000.
 Undivided Profits, \$1,098,968.
 H. V. Meredith, Esq., President.
 E. B. Greenshields, Esq., Sir William Macdonald,
 R. B. Angus, Esq., Hon. Robert Mackay, Sir Thomas
 Shaughnessy, K.C.V.O., David Morrice, Esq., C. R.
 Hooper, Esq., A. Baumgarten, Esq., G. B. Gordon, Esq.,
 H. R. Drummond, Esq., D. Forbes Angus, Esq.,
 William McMaster, Esq.
 Head Office: Montreal.
 General Manager: Sir Frederick Williams-Taylor.
 Assistant General Manager: A. D. Braithwaite, Esq.
 Branches and Agencies throughout Canada and
 Newfoundland; also at New York, Chicago and
 Spokane in the United States, and at Mexico City.

LONDON OFFICES:

47 Threadneedle Street, E.C., and
 9 Waterloo Place, Pall Mall, S.W.
 London Committee: Sir Thomas Skinner, Bart.,
 A. Macnider, Esq.

Manager: George Cyril Cassels.

Financial Agents of the Government of the Dominion of Canada.

The Bank undertakes monetary business with all
 parts of Canada, Newfoundland, the United States and
 Mexico, and issues Sterling and Currency Drafts and
 Cable Transfers.

THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000
 Capital Paid up - \$11,560,000
 Reserve Funds - \$13,570,000
 Aggregate Assets - \$180,000,000

Head Office—MONTREAL.

H. S. HOLT,

E. L. PEASE,

President. Vice-President and General Manager.

240 Branches in Canada and Newfoundland.
 28 Branches in Cuba, Porto Rico and Dominican
 Republic.

BRANCHES IN BRITISH WEST INDIES.
 BAHAMAS—Nassau; BARBADOS—Bridgetown;
 GRENADA—St. George's; JAMAICA—Kingston;
 TRINIDAD—Port of Spain; San Fernando,
 Branch in British Honduras—BELIZE.

Branches in British Guiana—GEORGETOWN AND
 NEW AMSTERDAM.

New York Agency: Corner William & Cedar Streets
 LONDON OFFICE:

2 Bank Buildings, Princes Street, E.C.
 W. M. BOTSFORD, JAMES MAOKIE,
 Manager. Joint Manager.

The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,358
 Reserve Fund & Undivided Profits (\$7,248,134) £1,489,343

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, C.V.O.

VICE-PRESIDENT—E. W. BLACKWELL

GENERAL MANAGER—E. F. HERDEN.

This Institution has 213 Branches and Agencies
 extending from the Atlantic to the Pacific (100 being
 in the Western Provinces).

Every facility offered to the business of immigrants;
 Savings Department at all Branches, where interest
 is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in
 the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.
 The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable
 Transfers available at any banking point in Canada.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)
 Authorised Capital, £1,000,000. Subscribed Capital, £625,000.
 Paid-up Capital £500,000
 Reserve Fund 510,000
 £1,010,000
 Uncalled Capital 125,000
 Reserve Liability of Shareholders 625,000
 £1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to
 be ascertained on application.

PERCY ARNOLD, Manager.

HARRIS, FORBES & CO
NEW YORK

27 Austin Friars, London, E. C.

American and Canadian high grade
 Municipal, Railroad and Public Utility

BONDS FOR INVESTMENT

Telegraphic Address: Saharferb Thread

BANK of NEW SOUTH WALES.

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital, £3,500,000
 Reserve Fund, 2,450,000
 Reserve Liability of Proprietors, 3,500,000
 £9,450,000



The London Office issues Drafts on demand on its
 Head Office and Branches in Australia, New Zealand
 Tasmania, Fiji and Papua, and on its Correspondents
 in Tasmania. Makes Mail and Cable Transfers.
 Negotiates and Collects Bills of Exchange. Receives
 Deposits for fixed periods on terms which may be
 known on application; and conducts every description
 of Australasian banking business.
 DAVID GEORGE, Manager.

NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... £750,000
 Subscribed and Paid-up Capital ... £240,000

HEAD OFFICE ... AMSTERDAM.
 LONDON AGENCY ... 2 GT. WINCHESTER ST., E.C.
 LONDON MANAGER J. COST BUDDE

All descriptions of Banking Business connected
 with South Africa transacted on terms which may
 be ascertained on application.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000
 Capital Issued ... 1,125,000
 Capital Paid Up ... 562,500
 Reserve Fund ... 465,000

Branches:

INDIA, BURMAH, CEYLON,
 STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues
 Letters of Credit and Circular Notes, and transacts bank-
 ing and agency business in connection with the East, on
 terms to be had on application.

Deposits received for one year at 4 per cent. per
 annum. Rates for other periods on application.
 On current accounts interest is allowed at 2 per
 cent. per annum on daily balances.

RUSSIAN & ENGLISH BANK
28 NEVSKY, ST. PETERSBURG.

Capital authorised and fully paid up, £1,057,000.
 Reserve Fund, £126,000.

English members of the Council of the Bank—
 Lord Balfour of Burleigh, K.T., Rt. Honble. Austen
 Chamberlain, M.P., Ian H. Amory, J.P.

The Bank transacts every description of Banking
 Business; collects Cheques, Bills, Documentary Bills
 in all parts of the Russian Empire. Undertakes the
 agency of Banks and the purchase and sale of Russian
 Stocks and Shares.

London { Boniton Bros. & Co., 39 Old Broad St., E.C.
 Agents { Lloyds Bank Limited and Branches.

Telegraphic Address, Britorusse, St. Petersburg.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which is incorporated the Bank of Africa, Ltd.)
 Bankers to the Government of the Union of South
 Africa in the Transvaal and Orange Free State.
 Bankers to the Imperial Government in South Africa
 London Offices—Circus Place, London Wall, E.C., and
 17 Cannon Street, E.C.

Subscribed and Paid up Capital ... £2,350,000
 With power to increase to ... 4,000,000
 Reserve Fund ... 700,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.
 Deposits received. Current Accounts opened, and
 all descriptions of Banking business connected with
 South Africa and the Belgian Congo transacted on
 terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Subscribed Capital ... £1,500,000

Called up ... £800,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £930,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).

Sir JACOB E. SARSOON, Bart. EMILE FRANCOU, Esq.

J. O. GEORGES BOUILLAT, Esq. J. S. HARKELL, Esq.

G. BROWLEY-MARTIN, Esq. J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and
 Agency business in connection with India on terms to
 be ascertained on application. Deposits are received
 for 1, 2 or 3 years at 4 per cent. per annum, and on
 current accounts interest is allowed at 2 per cent. per
 annum on the minimum monthly balances.
 F. H. SUTTON, Manager.

THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000.
 SHAREHOLDERS' LIABILITY ... \$3,000,000.
 SURPLUS AND PROFITS ... \$6,881,000.

President—R. F. SHANBAUGH.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGER.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDE.

Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers
 made to all parts of the world. Letters of Credit
 issued in Sterling, available throughout the world,
 in Dollars throughout the United States, Canada,
 Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made every-
 where. Act as Agents for Foreign Banks to draw on
 the United States. Correspondence solicited.

Cable Address—London Agents—

"FOURBANK." SAMUEL MONTAGU & CO.

NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and Uganda.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Coolin (S. India)	Newera Eliya	} British East Africa Uganda.
Bombay	Obhittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Manila	Nairobi	
Canton	Aden	Nakuru	
Lahore	Aden Point	Kisumu	
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	
Tientsin		Jinja	

SUBSCRIBED CAPITAL ... £2,000,000
 PAID-UP CAPITAL ... £1,000,000
 RESERVE FUND ... £1,100,000

LONDON BANKERS—Bank of England; National
 Provincial Bank of England, Limited; National Bank
 of Scotland, Limited.

The Bank conducts every description of Eastern
 Banking business.

Deposits received for fixed periods at rates to be
 obtained on application. Interest payable June 30
 and December 31.

Current accounts are opened, and provided they do
 not fall below £200 interest is allowed on the minimum
 monthly balances at the rate of 2 per cent. per annum.

NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL £3,000,000

SUBSCRIBED CAPITAL 2,250,000

PAID-UP CAPITAL 750,000

RESERVE FUND 635,000

UNCALLED CAPITAL 1,600,000

Receives Deposits of £50 and upwards, for 1, 2 or
 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances
 granted, and Bills on New Zealand purchased or sent
 for collection.

H. FRESHWATER, Secretary and London Manager,
 17 Moorgate Street, London, E.C.

The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

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SATURDAY, AUGUST 8, 1914.

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BRITISH BANK for FOREIGN TRADE, LIMITED.

(Formerly Anglo-Russian Bank, Ltd.)

AUTHORISED CAPITAL.....£1,500,000
ISSUED AND FULLY PAID UP CAPITAL.....£1,200,000

HEAD OFFICE:

48 BISHOPSGATE, LONDON, E.C.

London Clearing Bankers:

Bank of England; Lloyds Bank Ltd.

CURRENT ACCOUNTS.—Interest allowed by arrangement on minimum monthly balances at 2% per annum.

DEPOSIT ACCOUNTS.—Interest at a minimum of 4% per annum allowed for fixed periods of 3 months and upwards.

Bills discounted | Foreign Exchange
Credits opened | Coupons Collected
Advances against Documents.

G. H. BUTTERFIELD, Manager.

BANCA COMMERCIALE ITALIANA.

HEAD OFFICE:—MILAN.

LONDON OFFICE:—1 Old Broad Street, E.C.

Paid-up Capital, £5,200,000. Reserve, £2,328,000.

Branches in Italy.—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; and Agencies in numerous other Towns.

Agents in London for:—Banque Française et Italienne pour l'Amerique du Sud, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and Societa Commerciale d'Oriente, Tripoli, Africa.

AGENTS & CORRESPONDENTS in all parts of the world.

BANCO DE CHILE.

LONDON AGENCY—

94 GRACECHURCH STREET, E.C.

Paid-up Capital Chilean Dollars.
... .. \$40,000,000

Reserve Fund 22,000,000

Reserve Liability of Shareholders 40,000,000

HEAD OFFICE: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

HONGKONG AND SHANGHAI BANKING CORPORATION.

CAPITAL all paid up\$15,000,000
RESERVE FUNDS
STERLING RESERVE, HELD
IN LONDON AT EXCHANGE
OF 2s. PER \$ = £1,500,000
STERLING, INVESTED IN CON-
SOLS AND OTHER STERLING
SECURITIES.....\$15,000,000
SILVER RESERVE.....17,650,000
.....\$32,650,000
RESERVE LIABILITY OF PROPRIETORS.....\$15,000,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.
Henry Keswick, Esq. Sir Carl Meyer, Bart.
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.
Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, } Managers
H. D. C. JONES, }
JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

8 Gracechurch Street, London, E.C.

THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP £3,703,704

RESERVE FUND £1,033,410

ST. PETERSBURG. MOSCOW. PARIS.

And over 100 Branches in Russia.

London Offices: 24/28 Lombard Street, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares, Dividends Collected, Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened, Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

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COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit issued. Remittances cabled or mailed. Current accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,000 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

London Office: 36-38 New Broad Street, E.C.

C. A. R. CAMPION, Manager.

STANDARD BANK of SOUTH AFRICA, LTD.

BANKERS TO THE GOVERNMENT OF THE UNION OF SOUTH AFRICA IN CAPE PROVINCE; TO THE IMPERIAL GOVERNMENT IN SOUTH AFRICA; AND TO THE ADMINISTRATION OF RHODESIA.

HEAD OFFICE.

10 Clements Lane, Lombard Street, London, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 65 Wall Street.

OVER 200 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

SUBSCRIBED CAPITAL.....£3,194,100

PAID-UP CAPITAL.....£1,548,575

RESERVE FUND.....2,000,000

UNCALLED CAPITAL.....4,645,575

.....£8,194,100

BOARD OF DIRECTORS.

W. R. Arbuthnot, Esq.

Sir David Miller Barbour, K.C.M.G., K.C.S.I.

Robert E. Dickinson, Esq.

James Fairbairn Finlay, Esq., O.S.I.

Hon. Sir Charles W. Fremantle, K.C.B.

Horace Peel, Esq.

Rt. Hon. Lord Sydenham, G.C.M.G., G.C.S.I., G.C.I.E.

Rt. Hon. Lord Welby, P.C., G.O.B.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms. DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application. BILLS NEGOTIATED AND COLLECTED. MAIL AND TELEGRAPHIC REMITTANCES made. LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World. COMMERCIAL LETTERS OF CREDIT issued. PURCHASE AND SALE of Stocks and Shares effected. DIVIDENDS, ANNUITIES, ETC., received. EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

WILLIAM SMART, London Manager.

NATIONAL BANK OF TURKEY.

Subscribed Capital... .. £1,000,000

Paid up 250,000

President:

Sir HENRY BABINGTON SMITH, K.C.B., G.B.L.

Head Office: CONSTANTINOPLE.

Manager: H. P. KINGHAM.

London Committee:

THE HON. SIDNEY PEML, Chairman.

The Hon. Hugo Baring.

H. Birchenough, Esq., O.M.C.

K. N. Meyer, Esq.

C. B. Gulbenkian, Esq.

R. H. Macaulay, Esq.

London Agency... .. 60 CORNHILL, E.C.

Manager, R. BECHT.

General Banking Business Transacted.

BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund £P.300,000

BRANCHES IN:

Piura,

Chilcayo,

Pacasmayo,

Trujillo,

Huancayo,

Huancayo,

Callao,

Cerro de Pasco,

Chincha Alta,

Ica,

Huancayo,

Huancayo,

Mollendo,

Arequipa,

Cuzco,

Iquitos,

Huacabo

Letters of Credit, Drafts and Cable Transfers, issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

NATIONAL BANK OF EGYPT.

(Established by Khedival Decree, June 1896,

with the exclusive right to issue

Notes payable at sight to bearer.)

Capital, £3,000,000 (in 300,000 Shares of £10 each,

fully paid). Reserve Fund, £1,500,000.

Governor—F. T. Rowlett, Esq. Head Office—Cairo.

London Committee—

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Algernon Mills. Hon. Sidney Peel.

LONDON AGENCY—

3 & 4 LOTHBURY, LONDON, E.C.

Manager—J. T. Beatty-Pownall.

Assistant Manager—A. F. Gillies.

Accounts opened with traders and private persons.

Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria,

Assiout, Assoua, Benha, Beni-Suef, Chibin-el-Khay,

Damanhur, Fayoum, Keneh, Luxor, Mansourah,

Minieh, Mousky (Cairo) Port Said, Sohag, Tanta,

and Zagazig; and in the Sudan at Khartoum, Port

Sudan, and Snakin.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital... .. Yen 48,000,000

Capital Paid up... .. " 30,000,000

Reserve Fund... .. " 18,000,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antong-Hsien Kobe New York

Bombay Liao Yang Osaka | Peking

Calcutta London Ryojun (Port

Changchun Los Angeles Arthur)

Dairen (Dalny) Lyons San Francisco

Hankow Fengtien Shanghai

Harbin (Mukden) Tientsin

Hong Kong Nagasaki Tientsin | Tokio

Hoolio Newchwang Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—

7 Bishopsgate, E.C.

ALEXANDERS and CO., LTD.
24 Lombard Street, E.C.
Capital £1,000,000
Subscribed 900,000
Paid up 500,000
Reserve Fund 100,000
The Rate of Interest allowed on Deposits has been this day raised to 5 per Cent. at Call and 5½ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.
F. NEWCOMB, Manager.
August 1, 1914.

NATIONAL DISCOUNT COMPANY, LIMITED.
Subscribed Capital £4,233,325
Paid-up Capital 846,665
Reserve Fund 505,000
NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on Deposit are raised as from the 1st of August as follows:—
To 5 per Cent. per annum at call.
To 5½ per Cent. at 7 and 14 days' notice.
PHILIP HAROLD WADE, Manager.
Approved Mercantile Bills discounted. Loans granted upon negotiable securities. Money received on Deposit at Call and short notice, and interest allowed at the current market rates; and for longer periods upon specially agreed terms.
No. 35 Cornhill, E.C., August 7, 1914.

THE UNION OF LONDON AND SMITHS BANK, LIMITED.
NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be Four per Cent. per annum from this date until further notice, which will be given by advertisement only.
H. H. HART, Manager (Town and Foreign).
L. E. THOMAS, Manager (Country).
No. 2 Princes Street, E.C.:
August 6, 1914.

BRITISH LINEN BANK
(London Office).
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 4 per Cent. until further notice.
JAMES LITTLE, Manager.
Threadneedle Street, London, E.C.:
August 6, 1914.

LONDON & SOUTH-WESTERN BANK, LIMITED.
Head Office, 170 Fenchurch Street, E.C.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day reduced to 4 per Cent. per annum.
H. H. HAMBLING, General Manager.
August 6, 1914.

BANK OF SCOTLAND
(London Office).
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts will be 4 per Cent. until further notice by advertisement.
WILLIAM SMILES, Manager.
No. 30 Bishopsgate, E.C.:
August 6, 1914.

THE LONDON JOINT STOCK BANK LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day reduced to 4 per Cent. per annum.
CHARLES GOW, General Manager.
5 Princes Street, Mansion House:
August 6, 1914.

THE COMMERCIAL BANK OF SCOTLAND, LIMITED (London Office).
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 4 per Cent. until further notice by Advertisement.
GEO. S. COULTS, Manager.
No. 62 Lombard Street, London, E.C.:
August 6, 1914.

LONDON COUNTY AND WESTMINSTER BANK, LIMITED.
NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors in this day reduced to the following Rates, viz.:—
On Deposits subject to seven days' notice 4 per Cent., and on Deposits at Call 3½ per Cent. until further notice.
F. J. BARTHORPE, Head Office Manager.
No. 41 Lothbury, E.C.:
August 6, 1914.

PARR'S BANK, LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposit at seven days' call is 4 per Cent. per annum until further notice.
R. W. WHALLEY, Director and General Manager.
Bartholomew Lane, E.C.:
August 6, 1914.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at its Head Office, Bishopsgate, and London Branches, is this day reduced to 4 per Cent. for money placed on Deposit at seven days' notice.
T. ESTALL,
D. J. H. CUNNICK, } Joint General Managers.
F. ELEY,
No. 15 Bishopsgate, London, E.C.:
August 6, 1914.

LOYDS BANK LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is reduced to 4 per Cent. for money at seven days' notice.
HENRY BELL, General Manager.
No. 71 Lombard Street:
August 6, 1914.

THE LONDON CITY AND MIDLAND BANK, LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches will be 4 per Cent. until further notice.
J. M. MADDERS,
S. B. MURRAY, } Joint General Managers.
P. HYDE,
No. 5 Threadneedle Street, E.C.:
August 6, 1914.

THE UNION BANK OF SCOTLAND, LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 4 per Cent. per annum from this date until further notice.
GEO. J. SCOTT, Manager.
London Office, 62 Cornhill, E.C.:
August 6, 1914.

THE CLYDESDALE BANK, LIMITED (London Office).
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 4 per Cent. per annum until further notice.
JOHN CRAGG, Manager.
30 Lombard Street, London, E.C.:
August 6, 1914.

MARTIN'S BANK, LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 4 per Cent. per annum from this date until further notice.
G. BROMLEY MARTIN, Managing Director.
No. 68 Lombard Street, E.C.:
August 6, 1914.

THE CAPITAL AND COUNTIES BANK, LIMITED.
NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on DEPOSITS Repayable on SEVEN DAYS' NOTICE is this day reduced to 4 per Cent. per annum.
G. A. HARVEY,
E. D. VAISEY, } Joint General Managers.
No. 39 Threadneedle Street, E.C.:
August 6, 1914.

ROYAL BANK OF SCOTLAND (London Office).
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 4 per Cent. until further notice.
W. WALLACE, Manager.
No. 3 Bishopsgate, E.C.:
August 6, 1914.

WILLIAMS DEACON'S BANK, LIMITED.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 4 per Cent. per annum from this date until further notice.
JOHN J. MEAGHER, Manager.
20 Biron Lane, E.C.:
August 6, 1914.

THE NATIONAL BANK OF SCOTLAND, LIMITED, Incorporated by Royal Charter and Act of Parliament.
London Office: NICHOLAS LANE, LOMBARD STREET.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 4 per Cent. per annum for money at seven days' notice.
J. FERGUSON, Manager.
August 6, 1914.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.
38 Bishopsgate, London, E.C.
Incorporated by Royal Charter.
Capital, £1,200,000. Reserve Fund, £1,800,000.
Court of Directors.
Sir Montagu Corbish Turner, Chairman.
Sir Henry Stewart Cunningham, K.C.I.E.
Thomas Guthrie, Esq.
Sir Alfred Dent, K.O.M.G.
William Henry Neville Goschen, Esq.
The Right Hon. Lord George Hamilton, G.C.S.I.
William Foot Mitchell, Esq.
Lewis Alexander Wallace, Esq.
Managers, T. H. Whitehead and T. Fraser.
Sub-Manager, W. E. Preston.
Agencies and Branches:

Amritsar	Hong Kong	Penang
Bangkok	Iloilo	Puket
Batavia	Ipo	Rangoon
Bombay	Karachi	Saigon
Calcutta	Klang	Seremban
Canton | Cebu	Kobe	Shanghai
Colombo	Kuala Lumpur	Singapore
Delhi	Madras	Sourabaya
Foochow	Malacca	Taiiping, Pera
Haiphong	Manila	(F.M.S.)
Hamburg	Medan	Tientsin
Hankow	New York	Yokohama

BANKERS.—The Bank of England; The London City and Midland Bank, Limited; The London County and Westminster Bank, Limited; The National Provincial Bank (of England, Limited); The National Bank of Scotland, Limited.
The Corporation buy and receive for collection Bills of Exchange, grant Drafts payable at the above Agencies and Branches, and transact general banking business connected with the East.
Deposits of money are received for fixed periods or terms which may be ascertained on application. Interest payable half-yearly, 30th June and 31st December.

THE LONDON AND RIVER PLATE BANK (Limited).
Established 1862.
Authorized Capital.....£4,000,000
Paid-up Capital.....£300,000
Reserve Fund.....£2,000,000

BRANCHES.
ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires).
URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency).
BRAZIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency).
CHILE.—Valparaiso.
FRANCE.—Paris (16 Rue Halévy).
BELGIUM.—Antwerp (22 Place de Meir).
Agency in New York and Agents throughout the World.
Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.
7 Princes Street, E.C.

ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).
Head Office 38 Lombard Street, E.C.
Subscribed Capital£1,078,875 0 0
Paid-up Capital 539,437 10 0
Further Liability of Proprietors 539,437 10 0
Reserve Fund 300,000 0 0
LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.
REMITTANCES made by TELEGRAPHIC TRANSFER. BILLS NEGOTIATED or forwarded for COLLECTION. BANKING AND EXCHANGE business of every description transacted with Australia.
E. M. JANTON, Manager.

UNION BANK OF CANADA.
Incorporated 1865. Head Office, WINNIPEG
Paid-up-Capital \$5,000,000
Rest and Undivided Profits ... \$3,600,000
Total Assets over.....\$80,000,000
LONDON OFFICES { 6 PRINCES STREET, E.C.
26 HAYMARKET, S.W.
LONDON COMMITTEE: J. Leigh Wood, Esq., O.M.G.
Hon. Sidney Peel; F. W. Asha, Esq.
The Bank having over 300 Branches in CANADA from Atlantic to Pacific, and Agents in all the principal Cities in America, has exceptional facilities for transacting a general Banking and Exchange business with Canada and the United States. Collections and Correspondence invited.

BASS, RATCLIFF & GRETTON, LIMITED.

REPORT OF THE DIRECTORS

To be Presented to the Ordinary Shareholders at the Twenty-Eighth Annual General Meeting, to be held at the Offices of the Company, Burton-on-Trent, on Monday, the 10th August, 1914, at 12 15 o'clock.

DIRECTORS.

JOHN GRETTON, M.P., *Chairman*.
ROBERT F. RATCLIFF, M.P.
ARTHUR J. CLAY.

H. F. GRETTON.
P. W. RATCLIFF.
GERARD A. CLAY.

JOHN LAMBRICK.
FRANK R. GARRARD.

The Directors submit to the Shareholders the Balance Sheet of the 30th June, 1914, and Profit and Loss Account for the year ending on that date, showing a Profit, before charging Interest on Debenture Stock, of £402,882 18s. 11d., which, with £64,592 14s. 9d. brought forward from the previous year, makes a total of £467,475 13s. 8d. Of this amount £203,200 has been appropriated to the payment of Interest on Debenture Stock, Dividends on Preference Stock, and an Interim Dividend of 4 per cent. on the Ordinary Shares, leaving a balance of £264,275 13s. 8d. Out of this it is proposed to declare on the Ordinary Shares a further Dividend of 8 per cent. (£108,800), making 12 per cent. for the year, and a Bonus of 3 per cent. (£40,800), payable on the 15th August, 1914, to place £50,000 to the Reserve Fund (which will then amount to £550,000), and to carry forward to the next account the balance of £64,675 13s. 8d.

The Directors again have to report an increase in the business of the Company, arising principally from the Sales of Pale Ale. Increased charges have had to be met during the year in the form of higher railway rates, the result of legislation, and of large increases in the rates of wages.

The retiring Directors are Mr. ROBERT F. RATCLIFF, M.P., Mr. GERARD A. CLAY, and Mr. JOHN LAMBRICK, who offer themselves for re-election.

The retiring Auditors, Messrs. COOPER BROTHERS AND Co., are eligible and offer themselves for re-election.

By order of the Board,

GEORGE MYOTT,

Secretary.

BURTON-ON-TRENT,
31st July, 1914.

IMPERIAL JAPANESE GOVERNMENT FOUR-AND-A-HALF PER CENT. LOAN. FIRST SERIES.

NOTICE IS HEREBY GIVEN that the Coupons due 15th August, 1914, will be paid on that date, between the hours of 11 and 1, or on any day after, Saturdays excepted, between the hours of 11 and 3, by the Yokohama Specie Bank, Ltd., where lists may be obtained. Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Limited,
K. TATSUMI, Manager.

7 Bishopsgate,
London, E.C.,
1st August, 1914.

THE ALGOMA EASTERN RAIL- WAY COMPANY FIVE PER CENT. FIRST MORTGAGE 50-YEAR GOLD BONDS.

The Coupons falling due 1st September, 1914, on the above-mentioned Bonds may be presented on and after the 17th inst., between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle Street, London, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle Street, E.C.,
1st August, 1914.

THE GRAND TRUNK PACIFIC RAILWAY COMPANY.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company, so far as regards the Four per Cent. Debenture Stock, will be closed from Monday, the 10th August, to Monday, the 31st August, 1914, both days inclusive.

Warrants for the interest for the half-year ending 31st August, 1914, will be forwarded on that date to all proprietors of this Stock registered on the books of the Company on the 10th August, 1914.

By Order,

H. H. NORMAN,
Secretary, London Committee.

Dashwood House,
9 New Broad Street, London, E.C.,
31st July, 1914.

ALGOMA STEEL CORPORA- TION, LIMITED. SIX PER CENT. THREE-YEAR GOLD NOTES.

The Coupons falling due 1st September, 1914, on the above-mentioned Notes may be presented on and after the 17th inst. between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle Street, London, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle Street, E.C.,
1st August, 1914.

CITY OF REGINA FIVE PER CENT. DEBENTURE LOANS.

The Coupons falling due 1st September, 1914, on the above-mentioned Debentures should be presented on and after the 17th inst., between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle Street, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle Street, E.C.,
1st August, 1914.

DOMINION IRON AND STEEL COMPANY, LIMITED, FIVE PER CENT. CONSOLIDATED MORTGAGE BONDS.

The Coupons falling due 1st September, 1914, on the above-mentioned Bonds should be presented on and after the 17th inst., between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle Street, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle Street, E.C.,
1st August, 1914.

THE WALL PAPER MANU- FACTURERS, LIMITED.

The Debenture Registers of this Company will be closed from the 17th to 31st August, both days inclusive, for the payment of the Half-yearly Interest due 31st August, 1914.

JOHN T. CHASNEY, Secretary.
125 High Holborn, W.C.

PROVINCE OF QUEBEC THREE PER CENT. INSCRIBED STOCK, 1937.

For the purpose of preparing the Interest Warrants, due 1st October, 1914, the Balances will be struck on the evening of the 1st September, after which date the Stock will be transferred ex-dividend.

For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle Street, E.C.,
1st August, 1914.

DOMINION OF CANADA FOUR PER CENT. REGISTERED STOCK, 1940/60, AND TWO-AND-A-HALF PER CENT. INSCRIBED STOCK, 1947.

For the purpose of preparing the Interest Warrants, due 1st October, 1914, on the above-mentioned Loans, the Balances will be struck on the evening of the 1st September, after which date the Stock will be transferred ex-dividend.

For Bank of Montreal,
G. C. CASSELS, Manager.
47 Threadneedle Street, E.C.,
1st August, 1914.

JOHANNESBURG CONSOLI- DATED INVESTMENT COMPANY, LIMITED. (Incorporated in the Transvaal.)

NOTICE.

NOTICE IS HEREBY GIVEN that, in view of the present situation, payment of the following Dividends, declared on the 20th June last, is deferred until further notice, viz.:

Johannesburg Consolidated Investment Company, Limited, 5 per cent.
Witwatersrand Gold Mining Company, Limited, 25 per cent.
New Primrose Gold Mining Company, Limited, 20 per cent.
Van Ryn Deep, Limited, 12½ per cent.
Consolidated Langlaagte Mines, Limited, 10 per cent.
Ginsberg Gold Mining Company, Limited, 10 per cent.
New Unified Main Reef Gold Mining Company, Limited, 10 per cent.
By Order,
Johannesburg Consolidated Investment Co., Ltd.,
THOS. HONEY, Secretary.
10/11 Austin Friars, London, E.C.,
5th August, 1914.

CANADA.

THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.
C. A. BOGERT, General Manager.

LONDON BRANCH, 73 CORNHILL, E.C.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking Business transacted. Information
furnished regarding Canadian matters.

TENDERS.

THE SOUTH INDIAN RAILWAY COMPANY, LIMITED, are prepared to receive Tenders for the supply of:—
Carriage Fittings (metre gauge), Wrought Iron and Steel, Hardware, Screws, and Sundries.

Specifications and Forms of Tender may be obtained at the Company's Offices.

Tenders, addressed to the Chairman and Directors of the South Indian Railway Company, Limited, marked "Tender for Carriage Fittings, metre gauge," must be left with the undersigned not later than 1 o'clock on Wednesday, the 26th August, 1914.

The Company is not bound to accept the lowest or any Tender.

A charge, which will not be returned, will be made of 20s. for each copy of the specification.

Copies of the drawings may be obtained on payment at the offices of Robert White, Esq., M.Inst.C.E., Consulting Engineer to the Company, 3 Victoria Street, Westminster, S.W.

By Order,

V. E. DE BROE, M.Inst.C.E.,
for Managing Director.

Company's Offices—
91 York Street,
Westminster, S.W.,
4th August, 1914.

THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL.....£1,500,000.
PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Souef, Mansourah, Port Said, Tautah, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England, The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4 per cent. per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clements Lane, Lombard Street, E.C.

PRUDENTIAL ASSURANCE COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £88,000,000
CLAIMS PAID - £110,000,000

WHITELAW'S PHRASES FOR CODE TELEGRAPHY.

A Full Phrase Code on a new plan, using up the last 500 millions of Whitelaw's 2,500 millions two-letter-difference words, and leaving 2,000 millions (2 full sets of 9 Figures) for Tables for Firm Offer and other Tabulated Business.

SPECIMEN COPY WILL BE SENT ON APPLICATION.

The various selections of Artificial and Dictionary words and the Quotation Tables, now long in use, continue as before, and have been duly certificated by the International Examining Committee.

WHITELAW'S, 39 Lombard Street, London, E.C. PALMER, HOWE & CO., Manchester.

THE FINANCIAL POST OF CANADA,

"The Canadian Newspaper for Investors,"

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

THE INVESTORS' INFORMATION BUREAU

will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

GREAT BRITAIN and COLONIES 12s. 6d. per annum.

FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

HEAD OFFICE—TORONTO, CANADA.

THE STOCK EXCHANGE.

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

PERRY'S

TRADE PROTECTION OFFICES

(Established 1776),

Bush Lane House, Bush Lane, Cannon St. LONDON.

Status Inquiries made as to the position and standing of Traders and others.

PERRY'S GAZETTE & LIST OF CREDITORS are published Weekly, and are valuable to everyone in business.

Debts recovered and paid over promptly.

Particular attention is called to the fact that this is the only Trade Protection Society that possesses at its offices in London Registers containing full Bankruptcy and other Registered Information, together with Status Information FOR THE WHOLE OF THE THREE KINGDOMS.

TERMS from £1 1s. upwards, according to requirements. PROSPECTUS and further particulars on application.

Wesleyan & General Assurance Society.

ESTABLISHED 1841.

Chief Offices ... BIRMINGHAM.

London Central Offices:

HALTON HOUSE, 20-23 HOLBORN, E.C.

Accumulated Funds Exceed £2,000,000. Claims Paid Exceed £7,000,000.

Annual Valuations and Distribution of Profits.

Copies of the Annual and Valuation Reports, Prospectuses, with revised Rates of Premiums, &c., on application. ARTHUR L. HUNT, General Manager.

WHERE COPIES OF THE "STATIST" CAN BE OBTAINED ABROAD.

INDIA.—D. B. TARAPOREVALA, SONS & CO., Booksellers, Bombay.

JAPAN.—Z. P. MARUYA & CO., LTD., 11 to 18 Nihonbashi Tori Sancho, Tokyo, and 28 Benten Dori Nichome, Yokohama; Y. OKURA, Nihonbashi, Tokyo.

EGYPT.—F. DIEMER, Sheppard's Buildings, Cairo; THE ANGLO-AMERICAN BOOKSELLING DEPOT, Port Said.

SOUTH AFRICA.—CENTRAL NEWS AGENCY, Johannesburg, Bloemfontein, and Durban; WILLIAM DAWSON & SONS, Capetown, Johannesburg and Durban.

AUSTRALIA.—GORDON & GOTCH, Melbourne, Sydney, Brisbane, and Perth; C. W. RIGBY, Adelaide.

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The Money Market.

Friday Evening, August 7, 1914.

Bank of England Rate.	6 per Cent. (Aug. 6, 1914)
	10 per Cent. (Aug. 1, 1914)
	8 per Cent. (July 31, 1914)
	4 per Cent. (July 30, 1914)
	3 per Cent. (Jan. 29, 1914)

Discount Rates:—

		60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
		PER CENT.	PER CENT.	PER CENT.	PER CENT.
Bank Bills	...	5½	5½	5½	5½
Trade Bills	...	—	5½	5½	6

Deposit Rates:—

	DATES FIXED.	AT CALL	(SHORT NOTICE) 7 DAYS. 14 DAYS.
Banks	August 6, 1914	...	4 ... 4
	August 1, 1914	...	5* ... 5*
	July 31, 1914	...	4 ... 4
	July 30, 1914	...	2½ ... 2½
Discount Houses	January 29, 1914	...	1½ ... 1½
	August 6, 1914	...	4 ... 4½
	July 31, 1914	...	4½ ... 4½
	July 30, 1914	...	2½ ... 2½
	January 29, 1914	...	1½ ... 1½

* Head Office and Metropolitan Branches only.

MONEY.

ELSEWHERE we discuss the war in its military, naval, political, and broad economic aspects. Here we wish to address a few words to the plain business man who desires to do his part worthily in this period of danger and stress, and to assist the country in every way that lies within his power. Especially our banking friends can render very material service. They will remember, firstly, that the United Kingdom fought even the Great Napoleon himself for nearly a quarter of a century and did not come out unsuccessful. They will, therefore, feel assured that the country need not quail before the present puny imitators of the great Emperor. Furthermore, they will bear in mind that it was largely owing to our wealth, and to the great sums we were able to dispose of, that we contrived to stand up so long against the greatest soldier the modern world has ever seen.

All classes of business men, then, can render service by showing that they believe firmly in the destinies of their country, that they are prepared to do what in them lies to assist her in the hour of struggle, and that they will not show a craven spirit. But bankers, before all, can do most, for it is they that hold the great masses of capital which enable the currents of trade to flow. Therefore, while bankers very properly discourage every form of speculation, they ought to bear in mind that it is their duty to lend and to discount without undue discrimination. They ought themselves to show that they are confident of the future, and they ought to encourage their customers to act in the same spirit.

The Government has consulted with them; has taken their advice to heart; has done everything that they considered necessary to restore credit. It is for them to work in harmony with the Government; to support it in every way they can; and in especial to enable the great captains of industry to continue employing their workpeople. For we must not forget that the working classes will suffer most in case things go wrong; and that it is the bounden duty of every good citizen to contribute as far as he can that things shall not go wrong, but that, on the contrary, we shall be able to continue our usual mode of life, with this exception only—that we shall spend less extravagantly and give more freely for all public services.

An emergency currency has been provided. There is, therefore, absolutely no question that there is

plenty of money for every proper use. Bankers, therefore, ought to bear in mind that upon them the blame will be laid if apprehension or anything like a panicky feeling continues. We do not say this with any wish to encourage speculation. Quite the contrary. But bankers know quite well enough how to frown upon speculation and yet to give full and ready accommodation in all cases of real business. We do not for a moment doubt the good judgment, good sense, and patriotic feeling of bankers; and, therefore, we make no doubt that everything proper will be done.

Manufacturers, in their turn, should not forget that the well-being or the suffering of the working classes is largely in their hands. If they refuse to be panic stricken, if they maintain faith in their country, if they act as employers of large bodies of men ought to act, they will resume business; they will keep calm in spite of all rumours that may be set afloat, and they will take care that employment is given as freely and as largely as the circumstances permit. They may entertain doubts, perhaps, whether it will be possible to carry on business on the same scale as formerly. We do not ourselves believe that this will be difficult. For we have full confidence in our Navy, that after a little time it will be able to clear the seas, and that, therefore, importing and exporting will go on as usual.

Of course, it is perfectly true that even during the Revolutionary Wars with France a century ago, when we had obtained complete control of the sea, French privateers were able to prey upon British shipping and to inflict much loss. But the loss upon an average of years only amounted to about 5 per cent.; and the measures now adopted by the Government give fair assurance that the loss will not fall severely upon the shipowners; that, on the contrary, everything will be done to ensure safety to our shipping; and that, consequently, if we keep a brave heart and work diligently we shall not merely pull through, but we shall avoid any serious distress among the working-classes.

The great merchant bankers have likewise an important duty to perform. They assist foreign merchants largely in their trade, and they should not give way to undue apprehension and seriously curtail their business. They know better than we can tell them how necessary it is for credit to be given by the great merchant bankers. Therefore, they will realise the responsibility that rests upon them. If, for example, undue restrictions are put upon the credit given, let us say, either to Canada or Argentina or Egypt, those countries will be compelled to restrict their dealings with us, and trade, in consequence, will suffer. If, on the contrary, the accommodation that is required is given freely, and if the great merchant bankers as well as the bankers proper keep in close touch with the Government, and especially with the Cabinet Committee, they will be able not only to keep the Government fully informed of everything that it should know, but they will themselves be able to get guidance where they may require it.

Every class of business man, then, down to the very humblest, has a duty to perform. Firstly, he should aid the public authorities in every way in his power; secondly, he should continue to carry on his own business with as much enterprise as the circumstances allow; and, thirdly, he should avoid doing anything that might in any way make the position more difficult. Hoarding money should be frowned upon by every respectable citizen. It is not merely a selfish thing to withdraw money from circulation, and, therefore, to make the operation of trade more difficult; it is practically a criminal act—an act tending to help the enemy. In the same way, extrava-

gance of every kind should be avoided. We see no reason to doubt that our Navy will be able to ensure reasonable security at sea, and we feel persuaded that the insurance system adopted by the Government will work well. Therefore, there is every reasonable ground for anticipating that trade with foreign countries will be maintained, if we ourselves show that we have confidence in our country and help our foreign customers to go on dealing as of old.

An alarm such as we have had this week falling so suddenly and threatening such dangers for the time being throws everything out of gear. But if we only, as a people, keep calm, stand shoulder to shoulder, try to help one another in every way possible, we shall overcome all our difficulties, and we shall come out in the end with very much less suffering than we had anticipated at first. All that is wanted is courage, confidence, public spirit, and steady working, each man in his own special avocation.

With respect to rates in Lombard Street there is little to be said, for owing to the outbreak of the Continental war business in every department in the City was suspended. To-day (Friday) business was resumed in the Money market. That is hardly expressing the position, for, although the banks were opened, the chief business they did was in the nature of receiving deposits and making payments over the counter. The discount market remains destroyed for the time being, and it is useless to give any quotations. Since we last wrote the Bank rate went from 4 per cent. to 8 per cent., and then to 10 per cent., and yesterday was reduced to 6 per cent. Joint-stock banks are understood to have fixed their deposit rates at 5 per cent., and some of the bill brokers quote 5 per cent. and $5\frac{1}{4}$ per cent. for call and notice money respectively, but these rates seem to be very nominal. On the resumption of business the discount houses took advantage of the moratorium to renew their loans at the Bank, and a little fresh money was taken at the rate of 6 per cent. for bills and $6\frac{1}{2}$ per cent. for discounts. There was no business in the foreign exchanges. There is no alteration in the price of gold, for in the present circumstances exporters would not be accommodated, and there are some prospects of large amounts going to the banks.

DEPOSIT RATES.

In consequence of the recent changes in the official minimum of the Bank of England various alterations in deposit rates have been notified by the joint-stock banks. Following upon the advance in deposit rates to $2\frac{1}{2}$ per cent. on Thursday, July 30, the joint-stock banks announced on Friday, July 31, a further increase to 4 per cent. A still further advance was made on Saturday, August 1, to 5 per cent. in the case of head offices and Metropolitan branches. With the reduction in the Bank rate on Thursday, August 6, the joint-stock banks have reduced their rate for deposits to 4 per cent. The discount houses, which on Thursday of last week raised the rates of interest allowed by them on money at call and at short notice respectively to $2\frac{1}{2}$ per cent. and $2\frac{3}{4}$ per cent., and advanced them still further on Saturday last to $4\frac{1}{2}$ per cent. and $4\frac{3}{4}$ per cent., reduced the rates to 4 per cent. and $4\frac{1}{4}$ per cent. on Thursday last.

METROPOLITAN WATER BOARD BILLS. LIVERPOOL CORPORATION BILLS.

TENDERS for £1,000,000 of six months' Metropolitan Water Board bills were to have been received at the Bank of England on Friday, July 31, and half a million sterling of six months' Liverpool Corporation

bills was to have been offered on Tuesday last, August 4. So far no statement has been made concerning the placing of these bills.

BANK OF ENGLAND.

THE return which was published to-day (Friday) covers only a portion of the week—namely, Thursday, Friday, and Saturday of last week. The movements were nevertheless exceptionally heavy, and indeed it was owing to this fact that the extended Bank Holiday was decreed, and the Bank rate was put up to 10 per cent. Apart from a withdrawal of £2,298,000 in gold for export, remittance of coin to the country reached £8,211,000, and the stock of bullion at the Bank was reduced by £10,509,000. At the same time the country also took £6,399,000 in notes out of the Bank, so that there was a reduction in the total reserve of £16,908,000, the lowest figure touched for nearly a quarter of a century. Against this loss in reserve the market received about £1,250,000 through a decrease in the public deposits, and borrowed fully £18,000,000, as shown by an increase in the "other" securities. On balance, therefore, the market is richer to the extent of £2,331,000, shown by the addition to the "other" deposits. Not only was the Bank exceedingly poorer in specie and in reserve, but the ratio has fallen from over 40 per cent. to nearly $14\frac{1}{2}$ per cent. This low ratio in itself was sufficient to warrant a suspension of the Bank Act.

POSITION IN INDIA.

WITH respect to the position in India business has been entirely suspended so far as regards public operations, but the financial crisis has not been without some influences. One has been the weakness of the rupee, and owing to this the Indian Government decided to undertake transactions not previously entertained since the last breakdown of the Indian exchange. They decided to sell sterling drafts at the rate of £1,000,000 per week at 1s. $3\frac{3}{4}$ d. for bills and 1s. $3\frac{1}{2}$ d. for transfers. The first sales took place on Thursday, when the applications reached £1,104,000, namely £1,091,000 in transfers and £776,000 in bills. The amounts allotted were £776,000 in transfers at 1s. $3\frac{1}{2}$ d., and £224,000 in bills at 1s. $3\frac{3}{4}$ d. In future a similar amount of £1,000,000 will be offered for tender each Wednesday. Notwithstanding these sales of sterling bills in India, the offer of 10 lacs of remittances on India by the India Council this week were not entirely neglected. The amount was taken in transfers at 1s. $3\frac{3}{4}$ d., and subsequently 45 lacs were taken at a slight advance. No advices have been received as to the condition of the Money market on the other side, but both the Bombay and Bengal rates have been advanced, doubtless in response to the changed value of money on this side. The Bombay Bank rate, which was fixed at 3 per cent. on June 25, has risen to 4 per cent., while the Bengal Bank rate, which was fixed at 3 per cent. on July 9, has also been raised to 5 per cent.

SILVER.

THE Silver market, which last week was rather unsettled and inclined to be weak owing to the political situation, has been nominally closed for the same reason during the present week, but owing to the outbreak of war new currency arrangements had to be made involving a considerable increase in the silver circulation, and the Government have, therefore, been a big buyer of silver, with the result that the spot price, which before the official holidays was $23\frac{3}{4}$ d. per oz., is to-day $26\frac{1}{2}$ d. per oz. The market is so unsettled that the bullion brokers do not quote for forward business.

Stock Exchange.

TICKET DAY. PAY DAY. CONSOLS.
Settlement Days. { Wed., Aug. 28 | *Thurs., Aug. 13 | *Thurs., Aug. 13
 { — | Thurs., Aug. 27 | —
 * Deferred to August 27 for General and September 1 for Consols Settlements.

Friday evening.

By their action on Friday, July 31, in closing the Stock Exchange the Committee took a step which has never before occurred in the history of that institution. Panics and wars in plenty have been witnessed in the past, but until Friday week the House has always remained open for the transaction of business. The term panic can hardly be applied to the situation which led to the unprecedented steps that were taken; it can more satisfactorily be described by the word paralysis.

To grasp the position which has brought about such unprecedented Stock Exchange action it is necessary to recall the sequence of recent events. Prior to the Austro-Servian 48 hours' ultimatum on July 23 there was no visible sign of antagonism amongst the Great Powers, and the Stock markets were steady at what was generally regarded as a low level of prices in all departments.

The near approach of the holiday season had caused the comparatively few operators who had any commitments open to close their books, and the state of business can best be described as comatose until the issue on July 23 of the Austro-Servian ultimatum. Although the seriousness of the situation thus created was realised, it was felt that should hostilities break out they would be localised, and while a considerable amount of real selling was encountered it was mainly on account of Continental houses, and chiefly in those descriptions of securities which are of an international character. The difficulties of the situation were accentuated by the unwillingness, or more likely inability, of the leading French institutions to afford support in the manner which on similar occasions in the past they had done. It was a matter of common knowledge that these institutions were gorged with huge masses of unfloated Balkan loans, the aftermath of the prolonged struggle recently ended in the Near East, in addition to the large blocks of the new French loan for which they had applied and got left with. Hence we witnessed a steady stream of sales of such securities as were readily realisable in London. The increasing gravity of the international situation led to more insistent efforts to realise what was realisable. There were huge sales from Germany of Canadian Pacific shares and American Railroad securities. There was also persistent liquidation on Brussels account of the numerous Canadian-South American undertakings in which of late the Continent, and particularly Belgium and Holland, have taken an interest. On the top of all this came home liquidation. Up to this point investors in this country had been uneasy, but not alarmed, but the dramatic fall which had taken place in international counters and the darker war clouds looming, forced them to the conclusion that matters had become very serious.

After the presentation of the ultimatum prices of securities declined; but there was only a slight fall in other than prominent internationally held securities, such as Canadian Pacifics, American railway stocks, and some of the important international mining and kindred shares, especially copper, diamond, and leading Rand descriptions. Home securities disclosed some weakness, including the junior issues of English railways, oil shares, &c.

The open account in the Mining department was carried over with ease on Friday, July 24. There had not been time, with a changing situation, for appre-

ciable adverse effect on the market. On the Saturday all-round weakness set in, and in especial the Continent pressed heavy sales. The "general" account fell due for adjustment on the Monday following. The "carry-over" was arranged with the accompaniment of heavy selling for the end of August account almost from the commencement of the day, and in the main the selling was for Continental account.

On Tuesday, July 28, Austria declared war against Servia. This event was the signal for a fresh all-round crumble in prices. The following day, Wednesday, was pay day. Financial trouble was disclosed, and the Stock Exchange failures that occurred were another premonitory symptom of an extensive critical position. The defaults announced on Wednesday and Thursday, though numerous, were, except in one or two cases, of no great importance. Many leading brokers and arbitrage firms, however, did not get remittances from foreign clients. There was also the wholesale calling in of loans by foreign banking institutions transacting business in London. Stock had been poured into London from foreign quarters. Those purchases for the old—end July—account that had been made in London for the Continent were considered in several directions as unlikely to be carried to the maturity of payment. Masses of securities that had been sold for foreign account had to be paid for. London, with other bourses and stock exchanges closed, stood in the position, on the one hand, of being unable to obtain from some of the Continental debtors sums which had to be paid for stock that had been bought and having to pay the Continent huge sums of money for stocks that had been sold in this market. Then, too, there had, early in the week, been further heavy foreign sales for the end of August account. In great part such sales for both accounts were speculative in anticipation of a fall. After a fall of big dimensions the speculators who had sold for mid-August account would be able to buy back and receive huge cash differences from this country, and this in addition to immense sums for the stock sold by real holders who had disposed of it in London—a repetition on a large scale of the end of July position.

The London Stock Exchange, and for the matter of that the New York Stock Exchange, with such a situation, stood to be shot at. The position was clearly brought home by the severity of the fall that occurred on Thursday, July 30, when there was a fresh rush to sell anything and everything, not alone by foreign, but also by home sellers. With *bona-fide* liquidation of open accounts, realisation of shares by nervous holders, and a large amount of "bear" selling, the tide was all one way. On Thursday morning last week many English Stock Exchange brokers had extensive orders to buy for people in this country who had money to invest and thought the opportunity ripe for them to make purchases. But the dealers in the Stock Exchange, who had recognised that they were being very much handicapped, had acted in a most cautious manner and many dealers refused to make prices, even wide prices. Business was virtually confined to the

(Continued on page 386.)

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4914		Make-up	BRITISH FUNDS.		Int. Price	Price	Rise	Cont.	1914		Make-up	HOME RAILS.		Price	Price	Rise	Cont.
High.	Low.	July 27			July 24	July 30	or Fall	Bates.	High.	Low.	July 27			July 24	July 30	or Fall	Bates.
77 1/2	83 1/2	...	Consols 2 1/2 % Cash ...	2 1/2	75	83 1/2	-5 1/2	3 1/2	98 1/2	88 1/2	...	Barry Deferred...	8	91 1/2	83 1/2	xd	...
79 1/2	89 1/2	...	Irish 2 1/2 % Guaranteed ...	2 1/2	74 1/2	70 1/2	-4 1/2	...	82 1/2	81 1/2	84	Caledonian Ord.	3 1/2	85 1/2	81 1/2	-4 1/2	...
100 1/2	99 1/2	...	Exch'quer Bds. 3 % 1915 ...	3	100 1/2	100 1/2	...	...	21 1/2	11 1/2	13 1/2	— Deferred Ord.	1 1/2	14 1/2	11 1/2	-2 1/2	...
89 1/2	81 1/2	...	Local Loans Stock 3 %	3	84 1/2	83 1/2	-1 1/2	...	8 1/2	4 1/2	5 1/2	East London Ord.	nil	5 1/2	5 1/2	-1 1/2	...
94 1/2	89 1/2	...	Egyptian 3 % Guar.	3	93 1/2	93 1/2	...	...	43 1/2	34 1/2	34	Furness	1 1/2	35 1/2	34 1/2	-1 1/2	...
85 1/2	87 1/2	...	Transvaal 3 % Guar.	3	94 1/2	92 1/2	-2 1/2	...	48 1/2	38 1/2	39	Glas. & S.W. Def.	2 1/2	39 1/2	37 1/2	-2 1/2	...
80 1/2	71 1/2	...	India 3 % Stock	3	75 1/2	73 1/2	-2 1/2	...	75 1/2	53 1/2	...	Gt. C.5 % Pref. '94	2	54 1/2	54 1/2	...	...
64 1/2	62 1/2	63 1/2	— 3 1/2 % Rupee Paper	3 1/2	63 1/2	62 1/2	-1 1/2	...	39 1/2	19 1/2	21 1/2	— 5 % Pref. Ord.	nil	24 1/2	20 1/2	-3 1/2	...
258 1/2	234 1/2	...	Bank of England Stock	10	251 1/2	247 1/2	-4 1/2	...	18 1/2	9 1/2	10 1/2	— Def. Ord.	nil	11 1/2	9 1/2	-1 1/2	...
230 1/2	220 1/2	...	Bank of Ireland Stock	10	230 1/2	220 1/2	-10 1/2	...	55 1/2	41 1/2	45 1/2	Great Eastern ...	2 1/2	46 1/2	42 1/2	xd	...
69 1/2	62 1/2	...	London C. O. 2 1/2 % ...	2 1/2	67 1/2	67 1/2	...	...	109 1/2	98 1/2	...	Gt. N. of Ire. Ord.	8	106 1/2	106 1/2	...	...
89 1/2	81 1/2	...	Metropolitan 3 %	3	87 1/2	87 1/2	...	...	23 1/2	19 1/2	...	Gt. N. of Scot. Def.	1 1/2	22 1/2	20 1/2	xd	...
89 1/2	74 1/2	...	— Water Bd. 3 % 'B'	3	81 1/2	77 1/2	-4 1/2	...	59 1/2	44 1/2	47	Gt. North Def. Ord.	3	50 1/2	41 1/2	-9 1/2	...
97 1/2	92 1/2	...	Birmingham 3 1/2 %	3 1/2	98 1/2	95 1/2	-1 1/2	...	193 1/2	98 1/2	...	Gt. S. & W. (Ire.)	5	99 1/2	97 1/2	-2 1/2	...
73 1/2	70 1/2	...	Glasgow 2 1/2 % 1925-40	2 1/2	73 1/2	73 1/2	...	...	12 1/2	108 1/2	112 1/2	Great Western ...	8 1/2	114 1/2	103 1/2	-11 1/2	...
67 1/2	63 1/2	...	Leeds 2 1/2 % Red.	2 1/2	68 1/2	68 1/2	...	...	42 1/2	37 1/2	...	Highland ...	2 1/2	39 1/2	37 1/2	-2 1/2	...
96 1/2	92 1/2	...	Liverpool 3 1/2 %	3 1/2	94 1/2	94 1/2	...	...	71 1/2	63 1/2	57 1/2	Hull & Barnsley	2 1/2	53 1/2	55 1/2	xd	...
93 1/2	79 1/2	...	Manchester 3 % Rod.	3	82 1/2	82 1/2	...	...	94 1/2	75 1/2	79 1/2	Lanc. & Yorkshire	4	80 1/2	75 1/2	-5 1/2	...
COLONIAL GOVT. SECURITIES.																	
88 1/2	82 1/2	86 1/2	Canada 3 % Stk. Reg.	3	87 1/2	87 1/2	...	...	141 1/2	120 1/2	124 1/2	London & N. West	6 1/2	126 1/2	121 1/2	-5 1/2	...
82 1/2	77 1/2	79 1/2	Cape of G.H. 3 % Inco.	3	80 1/2	80 1/2	...	...	130 1/2	105 1/2	112 1/2	London & S.W. Ord.	5 1/2	113 1/2	105 1/2	-8 1/2	...
84 1/2	79 1/2	79 1/2	Ceylon 3 % Inco. Stk.	3	83 1/2	83 1/2	...	...	41 1/2	27 1/2	31 1/2	— Deferred Ord.	1 1/2	33 1/2	28 1/2	-5 1/2	...
82 1/2	75 1/2	79 1/2	Natal 3 % Inco.	3	80 1/2	80 1/2	...	...	113 1/2	94 1/2	93 1/2	L. Brighton Ord.	5 1/2	100 1/2	91 1/2	-9 1/2	...
88 1/2	80 1/2	82 1/2	N.S.W. 3 % Inco.	3	83 1/2	82 1/2	-1 1/2	...	99 1/2	72 1/2	77 1/2	— Deferred ...	4 1/2	81 1/2	72 1/2	-9 1/2	...
83 1/2	77 1/2	79 1/2	New Zealand 3 % Inco.	3	80 1/2	80 1/2	...	...	19 1/2	10 1/2	11 1/2	L. Chat. & D. Ord.	nil	13 1/2	10 1/2	-3 1/2	...
82 1/2	76 1/2	79 1/2	Queensland 3 % Inco.	3	79 1/2	79 1/2	...	...	85 1/2	37 1/2	33 1/2	— 4 1/2 % 2nd Pref.	1 1/2	40 1/2	37 1/2	-3 1/2	...
89 1/2	81 1/2	89 1/2	S. Austrln 3 % In. 1918-28	3	88 1/2	88 1/2	...	...	2 1/2	1 1/2	...	L. Elect. Ordinary	1	1 1/2	1 1/2	xd	...
92 1/2	86 1/2	89 1/2	Tasmanian 3 1/2 % Inco.	3 1/2	90 1/2	90 1/2	...	...	47 1/2	31 1/2	37 1/2	Metropolitan ...	1 1/2	39 1/2	31 1/2	xd	...
82 1/2	78 1/2	79 1/2	Victoria 3 % Inco.	3	80 1/2	80 1/2	...	...	23 1/2	25 1/2	...	— Deferred Div.	nil	23 1/2	23 1/2	-7 1/2	...
88 1/2	79 1/2	...	W.A. 3 % Inco. (1915-35)	3	86 1/2	86 1/2	...	...	33 1/2	18 1/2	22 1/2	Met. District Ord.	nil	23 1/2	17 1/2	-6 1/2	...
FOREIGN STOCKS.																	
104 1/2	99 1/2	102 1/2	Argentine 5 % 1888-87	5	102 1/2	100 1/2	-2 1/2	...	78 1/2	62 1/2	87 1/2	Midland Def.	4 1/2	70 1/2	63 1/2	xd	...
88 1/2	79 1/2	82 1/2	— 4 % Rescission ...	4	82 1/2	79 1/2	-3 1/2	...	34 1/2	22 1/2	23 1/2	Mid. Gt. W. of Ire.	3 1/2	47 1/2	47 1/2	...	...
103 1/2	98 1/2	101 1/2	— B.A. Water 5 %	5	101 1/2	99 1/2	-2 1/2	...	133 1/2	115 1/2	119 1/2	N. British Def. Ord.	1 1/2	24 1/2	22 1/2	-2 1/2	...
103 1/2	98 1/2	...	— 5 % Internal 1909 ...	5	100 1/2	99 1/2	-1 1/2	...	97 1/2	85 1/2	...	North Eastern ...	7	121 1/2	115 1/2	xd	...
80 1/2	81 1/2	82 1/2	Austrian Gold 4 % 1878	4	83 1/2	81 1/2	-2 1/2	...	81 1/2	78 1/2	81 1/2	North London ...	4 1/2	83 1/2	88 1/2	...	...
77 1/2	64 1/2	70 1/2	Brazilian 4 % 1889 ...	4	71 1/2	84 1/2	-13 1/2	...	19 1/2	18 1/2	...	N. Staffordshire ...	4 1/2	82 1/2	79 1/2	xd	...
88 1/2	74 1/2	...	— Lloyd Brasileiro 4 %	4	77 1/2	74 1/2	-3 1/2	...	97 1/2	90 1/2	...	Port Talbot £10	9	18 1/2	18 1/2	...	...
77 1/2	60 1/2	63 1/2	— 4 % 1910 ...	4	89 1/2	61 1/2	-28 1/2	...	80 1/2	69 1/2	71 1/2	Rhymney Def.	5	92 1/2	92 1/2	...	...
89 1/2	58 1/2	59 1/2	Buenos Ayres Prov 3 1/2 %	3 1/2	80 1/2	56 1/2	-24 1/2	...	81 1/2	31 1/2	38 1/2	South-East. Ord.	3 1/2	74 1/2	63 1/2	xd	...
104 1/2	98 1/2	98 1/2	Bulgarian 6 % 1892 ...	6	99 1/2	99 1/2	...	...	75 1/2	67 1/2	69 1/2	— Deferred Ord.	1 1/2	40 1/2	31 1/2	-9 1/2	...
93 1/2	86 1/2	91 1/2	Chilian 4 1/2 % 1888 ...	4 1/2	91 1/2	90 1/2	-1 1/2	...	3 1/2	1 1/2	2 1/2	Taff Vale ...	4	70 1/2	67 1/2	xd	...
97 1/2	92 1/2	94 1/2	— 5 % 1909 ...	5	94 1/2	93 1/2	-1 1/2	...	1 1/2	...	...	Undergd. Ord. £10	nil	2 1/2	2 1/2	...	...
102 1/2	96 1/2	101 1/2	Chinese Gold 5 % 1898	5	101 1/2	98 1/2	-3 1/2	...	...	...	...	— "A" Ord. 1s.	nil	...	...	...	...
95 1/2	87 1/2	92 1/2	— Gold 4 1/2 % 1898 ...	4 1/2	93 1/2	89 1/2	-4 1/2	...	228 1/2	161 1/2	178 1/2	Canadian Pacific	10	188 1/2	165 1/2	-23 1/2	...
52 1/2	47 1/2	50 1/2	Colombia Extl. 3 % 1898	3	50 1/2	48 1/2	-2 1/2	...	24 1/2	11 1/2	12 1/2	Grand Trunk Ord.	nil	14 1/2	12 1/2	-2 1/2	...
101 1/2	95 1/2	98 1/2	Egyptian 4 % Unifed	4	99 1/2	95 1/2	-4 1/2	...	107 1/2	88 1/2	90 1/2	— 5 % 1st Pref. ...	5	93 1/2	88 1/2	-5 1/2	...
92 1/2	86 1/2	88 1/2	— 3 1/2 % Preference ...	3 1/2	88 1/2	87 1/2	-1 1/2	...	100 1/2	87 1/2	73 1/2	— 5 % 2nd Pref. ...	5	78 1/2	83 1/2	...	...
88 1/2	76 1/2	77 1/2	French 3 % Rentes ...	3	80 1/2	76 1/2	-4 1/2	...	54 1/2	24 1/2	30 1/2	— 4 % 3rd Pref. ...	2 1/2	32 1/2	26 1/2	-6 1/2	...
79 1/2	71 1/2	73 1/2	German 3 %	3	75 1/2	72 1/2	-3 1/2	...	117 1/2	112 1/2	...	Beng. Nag 3 1/2 % Ga.	5	113 1/2	113 1/2	...	...
53 1/2	48 1/2	49 1/2	— 4 % Monopoly ...	4	49 1/2	48 1/2	-1 1/2	...	99 1/2	85 1/2	...	E. India 4 % Def.	6 1/2	93 1/2	95 1/2	xd	...
53 1/2	46 1/2	48 1/2	Guatemala Ext. 4 %	4	47 1/2	46 1/2	-1 1/2	...	189 1/2	163 1/2	...	S. Panish Ord.	10	166 1/2	166 1/2	...	...
97 1/2	73 1/2	78 1/2	Hungarian 4 % 1881-92	4	78 1/2	73 1/2	-5 1/2	...	40 1/2	35 1/2	36 1/2	ALG. So. Ord. \$50	5	38 1/2	38 1/2	...	...
98 1/2	91 1/2	93 1/2	Italian 3 1/2 %	3 1/2	94 1/2	91 1/2	-3 1/2	...	8 1/2	5 1/2	5 1/2	AL. N.O.P. "A" \$10	4 1/2	5 1/2	5 1/2	...	...
78 1/2	72 1/2	74 1/2	Japan 4 % Sterling ...	4	75 1/2	72 1/2	-3 1/2	...	102 1/2	83 1/2	96 1/2	— Def. "B" £10	nil	...	...	...	...
94 1/2	84 1/2	90 1/2	— 4 1/2 % do. 1905 2nd Ser.	4 1/2	91 1/2	87 1/2	-4 1/2	...	100 1/2	70 1/2	78 1/2	Atchison Com.	6	99 1/2	91 1/2	xd	...
100 1/2	94 1/2	98 1/2	— 5 % do. 1907 ...	5	99 1/2	97 1/2	-2 1/2	...	70 1/2	40 1/2	45 1/2	Balt. & Ohio Com.	6				

outcome of negotiations between buyers and sellers, with brokers and jobbers as intermediaries.

During the week prior to Bank Holiday business had been suspended on various Continental bourses and Colonial stock exchanges, and eventually the Stock Exchange authorities, both at London and New York, on Friday, July 31, elected not to open the exchanges till further notice.

The leading financial, and particularly Stock Exchange, events of the crisis period include:—

Monday, July 27.—Dealings on Paris (coulisse) and Brussels Bourses suspended.

Tuesday, July 28.—Toronto Stock Exchange and Madrid Bourse closed.

Wed., July 29.—Vienna and Dutch Bourses closed. German and Italian Bourses suspended time bargains.

Thurs., July 30.—St. Petersburg Bourse closed, also Montreal Stock Exchange.

" " —BANK OF ENGLAND RATE to 4 per cent.

Friday, July 31.—Paris Bourse settlement postponed to August 31.

" " —BANK OF ENGLAND RATE to 8 per cent.

" " —London Stock Exchange Committee notice posted about 9 A.M. Stock Exchange closed. The mid-August settlement (general) deferred to August 27 and Consols settlement to September 1.

" " —New York Stock Exchange did not open.

Saturday, Aug. 1.—BANK OF ENGLAND RATE to 10 per cent. (interpreted to foreshadow early suspension of the Bank Act).

Monday, Aug. 3.—Bank Holiday: Parliament extends Bank Holiday to Thursday, August 6, inclusive; also decides a month's moratorium in respect of bills of exchange (subsequently extended, to a general moratorium, to October 4).

Thursday, Aug. 6.—BANK OF ENGLAND RATE reduced to 6 per cent.

Friday, Aug. 7.—London banks open. Government supply of £1 notes made legal tender. 10s. notes to be issued as soon as printed.

During the week meetings of the Stock Exchange Committee have been held to consider the right policy to adopt. At the time the banks, owing to the extension of the Bank Holiday by three days, were not open. It has been urged as expedient that though the Stock Exchange may be closed for the transaction of time bargains it might reasonably be opened for the purpose of arranging cash transactions as between willing buyers and sellers. We do not except to see immediate action. There is also a pretty general consensus of opinion that the deferment of the Consols and general settlements for time bargains may be extended. Such a course appears to be absolutely essential under the circumstances. It is true that in times of crisis such as those we are now passing through a very large number of persons will come to the decision to keep their cash resources liquid and place their money on deposit. If adopted *in toto* such policy is a most unwise one. Persons who have considerable sums standing to their credit might advantageously to themselves and the community use a proportion of their cash in effecting purchases of securities and assist in the circulation of money so relieving the situation by enabling holders of securities to obtain necessary funds. Such action would greatly contribute to the relief of the situation, as, in many

cases dividends and interest payments are being deferred, and in a case of *force majeure* a large number of investors who do not get relied-on income from dividends will have to dispose of part of the securities they hold in order to enable them to live. These are not times for a selfish policy to be pursued, and it behoves all members of the community to help one another as much as they possibly can. As for those who are hoarding coin, and particularly gold, it is a most suicidal policy, which, if persisted in, will bring about the very trouble they are seeking to protect themselves against. If that trouble were to come hoarders may find that the cash put aside is in peril.

On Friday this week the Committee issued a notice in connection with paragraph No. 2 of the resolution issued July 31, 1914. Such paragraph stated that members must make arrangements to pay for securities undelivered at the end of July account. This "must make arrangements," it is now announced, is made nugatory by the Royal Proclamation on August 6 creating a moratorium, but the Committee "trust that all members will, notwithstanding, make every endeavour to settle all outstanding accounts."

NORTH BRITISH RAILWAY.

HAVING regard to the existing political and financial position the directors of the North British Railway have wisely decided to postpone to a date to be fixed hereafter the declaration of interim dividends on the Preference stocks and on the Ordinary stocks for the half-year to June 30, 1914. So far as the Deferred stock is concerned no distribution had been looked for in respect of the past six months. Twelve months ago no dividend was forthcoming on this stock, any profits then available being carried over to the December half-year, but no data were available as to the results of the half-year. In the first half of this year the Company reported a decline of about £20,000 in gross earnings, but comparison of estimates with estimates showed a gain of about £34,000 to have been secured. Recent dividends on North British Deferred Ordinary compare as follows:—

North British Deferred Ordinary.

	'13-14.	'12-3.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
%	%	%	%	%	%	%	%	%	%	%	%	%
2nd half...	1½	2*	1½	1½	1	1	1	2	2	2½	2½	2½
1st half...	—	Nil	1	2	1	Nil	Nil	1	1½	1½	1½	1½
Year...	—	1	1	1	1	1	1	2	1½	1½	2	1½


* Rate per annum of div. for 5 mos. to Dec. 31, 1912.

GREAT SOUTHERN AND WESTERN RAILWAY OF IRELAND.

NOTWITHSTANDING the falling off of revenue in the June half of 1914 as indicated by the traffic statements, the dividend on Great Southern and Western of Ireland Ordinary stock at the rate of 4½ per cent. is the same as that declared a year ago. According to the Company's traffic cards gross earnings fell off by about £27,000 in the first 26 weeks of this year, and beyond this information there are, unfortunately, no data available to guide one as to the results of the past half-year. Six months ago the Company paid a dividend at the rate of 5½ per cent., as compared with a similar distribution in respect of the second half of 1912, so that for the past twelve months the stock has again received 5 per cent., as in 1912-13, and against somewhat reduced rates of dividend in previous years. To show the improvement that has taken place in the financial position of this undertaking, at any rate within the last twelve years, we append the following statements of dividends paid during the period. Dividends for the past 12 years have been as follows:—

Great Southern and Western (Ireland).

	'13-14.	'12-3.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
%	%	%	%	%	%	%	%	%	%	%	%	%
Dec. half...	5½	5½	5½	5½	5	4½	4½	4½	4	3½	3½	3½
June half...	4½	4½	4½	4½	4½	4½	4½	4½	3½	3½	3½	3½
Year...	5	5	4½	4½	4½	4½	4½	4½	3½	3½	3½	3½

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Mining Topics.

THE mining industry is severely affected by the crisis. We understand that the supply of cyanide available for the Rand industry as a whole is ample for five or six months, and doubtless steps will be taken to pro-

vide future requirements from countries other than the main source of supply—Germany. The course will probably be taken of closing down mines of low-grade character which use large quantities of cyanide in respect of the huge tonnages of ore crushed for small profit. In this way much of the cyanide supply will be set free for the richer mines, making the supply for the smaller number of mines last longer—till probably such time as new sources of supply come into operation. The labour from the mines shut down may advantageously be transferred to the richer-grade mines, enabling an aggregate output perhaps equal to that of the average of recent months. Another requisite for the mines is an adequate supply of explosives. The gold mines are supplied by the local Modderfontein factory, but the raw material—gelignite—is imported. It is a contraband of war, and in great part is also derived from Germany. But there is no monopoly of German production of this raw material, and ways and means can quickly be found for securing other sources of supply. The question of transport, however, arises, and if, as is to be expected, supremacy at sea is obtained by this country, it may be taken as assured that the British Government will permit shipments of semi-prepared explosives destined for the production of gold, &c., on the Rand and other centres where metals, either precious or base, are produced. Every effort will be made to keep the mines on the Rand working, and every assistance that can be afforded to the industry will be forthcoming in view of the field being the largest gold-producer in the world. What applies to the Rand also applies to West Africa and Rhodesia. Another important source of British production of the royal metal is India, and there the difficulties should be very much less than in other directions. As to base metals, advices are received of the shutting down of some operations in Australia, more particularly in respect of the Broken Hill zinc-lead-silver producing district. Broken Hill concentrates are very largely shipped direct to Germany for treatment. Steps will have to be taken for extending smelter accommodation in this country, and smelting plant will also be found for ores that may be sent to America for treatment, pending the time that local treatment works can be erected. The erection of such works has been urged over and over again, but not extensively carried out.

Owing to the condition of the market for copper restriction of output is being adopted. The Anaconda Company, the biggest producer of the world, has shut down a considerable portion of its mines and smelter plant.

In view of the certainty of restriction of the demand for diamonds the directors of the De Beers Company have decided to close down almost entirely.

East Rand Proprietary Mines.—Capital issued £2,445,897, in £1 shares; £1,400,000 Convertible Five per Cent. Debentures in issue. Twenty-five tube mills.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price				
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	end of				
			%	£	£	Period				
1913 ...	820	1,769,000	9½	2,788,832	31/6	1,775,688	20/1	1,013,144	11/5	2½
1914.										
Mar. qr. 820	335,600	8½	536,473	30/5	425,654	22/1	160,819	8/4	1½	
June qr. 820	453,030	—	663,938	29/3	456,016	20/1	207,822	9/2	1½	
July ... 820	172,500	—	241,103	27/11	158,869	18/5	82,231	9/6	1½	

Accumulated slimes profits included in 1913-14 profits.

Dividends—1913, August, 12½; Dec., 12½ per cent.

1914, June, 7½ per cent.

Advices from the Rand as to the July output are in some cases overdue. Probably some of the companies, owing to pressure on telegraphic communications, may elect to hold back full advices, as many companies have already done, sending profit results only for July.

Such profit results have, so far, been returned as under, and we give also the profit figures of June for comparison:—

	July £	June £
Aurora West United ...	4,518	4,086
Bantjes Consolidated Mines ...	5,300	4,915
City Deep ...	33,697	35,658
Consolidated Langlaagte ...	28,466	27,807
Consolidated Main Reef ...	12,800	13,934
Crown Mines ...	109,665	108,045
Durban Roodepoort Deep ...	6,464	7,854
Ferreira Deep ...	54,895	54,470
Goldenhuis Deep ...	15,791	13,862
Ginsberg ...	3,645	3,334
Glencairn Main Reef ...	3,024	2,999
Glynn's Lydenburg ...	4,562	4,977
Kleinfontein ...	23,016	23,079
Knight Central ...	3,600	603
Main Reef West ...	5,500	5,055
Meyer and Charlton ...	22,226	22,888
Modderfontein B. ...	36,094	35,433
New Goch ...	11,138	10,689
New Modderfontein ...	51,651	58,291
New Primrose ...	13,170	12,410
New Rietfontein ...	804	84
New Unified ...	5,279	5,273
Nourse Mines ...	17,703	20,612
Robinson Gold Mining Co. ...	45,011	44,301
Roodepoort United ...	1,470	3,031
Rose Deep ...	23,625	24,247
Transvaal Gold Mining Estates ...	19,566	25,976
Van Ryn ...	21,907	21,249
Van Ryn Deep ...	38,057	36,662
Village Deep ...	31,340	30,996
Village Main ...	33,138	30,223
West Rand Consolidated ...	6,935	5,963
Witwatersrand Deep ...	20,700	21,222
Witwatersrand Gold ...	25,648	25,347
Wolhuter ...	13,100	14,000

As to the effect on the financial position, the companies that have announced dividends that are not yet paid appear to be adopting a policy of retaining the funds in their hands instead of distributing the dividends. The Barnato group have made a definite announcement, and probably the General Mining and Goerz groups will adopt a similar procedure. It remains to be seen what course will be taken by the larger Central mining group and others.

Amongst miscellaneous mines the Kyshtim, a Russian enterprise that some time ago announced a dividend of 3s., has deferred the payment of it. Probably the Spassky, which has also recently declared a dividend, may elect to take a similar course. The Ashanti Goldfields has also deferred payment of its dividend.

Our counsel to holders of mining shares is to refrain from pressing sales when the opportunity offers of renewal of dealings on the Stock Exchange. The fall in prices that occurred prior to the declaration of war between Germany and England beat down quotations to appreciably below the low level previously existing, and intrinsic merits of good mines are not obliterated because of a period of stress.

THE WORLD'S GOLD OUTPUT.

In view of the immense gold requirements of all countries at the present time it is opportune to review the progress of the gold production of the world in recent months, and endeavour to arrive at some idea of the probable output of the current year. From the official and semi-official figures of the gold output of the six months to June 30 last available in respect of South Africa, Rhodesia, West Africa, India, and Australasia—which in 1913 were responsible for about 58 per cent. of the total output of the world—it is evident that during the first six months of 1914 these countries have produced considerably less gold than in the corresponding period of 1913. The Transvaal—by far the largest producer in the world—exhibits a distinct set-back. Its production for the first half of 1914 amounted to £17,359,824, or as much as £2,351,432 less than for the same period of 1913, the decline being due to the disorganisation of the industry consequent on the white miners' strike in January last. Rhodesia shows an increased production of £262,376 for the half-year, but this is more than counterbalanced by the reduction of £303,700 in the combined outputs of

India, Australasia, and West Africa. On balance the production of Africa, India, and Australasia shows a decline of £2,392,830, as will be seen from the following table comparing the estimated outputs of the years 1912 and 1913 and the half-years ended June 30, 1913 and 1914:—

	Year 1912 £	Year 1913 £	Half-Years to June 30 1913 1914 £ £		Inc. or Dec. 1914 over 1913 £
Transvaal ...	38,757,560	37,258,000	19,711,256	17,359,824	-2,351,432
Rhodesia ...	2,707,403	2,933,300	1,412,170	1,674,546	+262,376
West Africa ...	1,497,000	1,534,700	845,960	807,636	-38,324
India ...	2,285,100	2,300,000	1,324,824	1,144,953	-179,871
Australasia ...	11,122,520	10,850,000	5,142,690	5,057,111	-85,579
	56,349,180	55,046,000	28,436,900	26,044,070	-2,392,830
United States ...	19,263,000	18,206,000	—	—	—
Canada ...	2,590,000	3,154,000	—	—	—
Russia ...	5,700,000	6,200,000	—	—	—
Mexico ...	4,660,000	3,610,000	—	—	—
Other Countries	8,310,500	8,861,000	—	—	—
	96,877,180	95,077,000	—	—	—

Mexico's production is bound to show a substantial further decline in respect of the current year, and it is doubtful whether the output for the whole of the twelve months will be as much as £1,000,000, against £3,600,000 for 1913.

In the second six months of the current year it is possible that the output of Russia may decline owing to the war; and there is the further disturbing possibility that the existence of a state of war in so many European countries may indirectly affect the output of the Transvaal and other fields before the end of the year.

In gold-producing operations throughout the world cyanide of sodium is used for leaching the gold from the ores, and the vast Rand industry—which alone contributes nearly 40 per cent. of the output of the world—needs a very large supply of the chemical, and its requirements hitherto have been met by imports from the United Kingdom, Germany, and Belgium. In 1913, of 11,594,984 lb. of cyanide of sodium imported into the Union of South Africa, 7,545,042 lb. were obtained from Germany, 70,112 lb. from Belgium, and 3,979,830 lb. from the United Kingdom. Consequently, when the existing stocks of the chemical are exhausted the dislocation of industry in Europe will probably make it difficult to obtain further supplies in sufficiently large quantities. Further, the Rand industry consumes annually over £10,000,000 worth of stores, a considerable proportion of which, in the shape of machinery, iron, steel, &c., is imported from this country and the Continent.

Taking all the factors into consideration, it seems certain that the gold output of the current year will be under £90,000,000, and it is even possible that inability to obtain supplies of stores and machinery from Europe in the ensuing months may so adversely affect the output of the various mines as to bring down the gold production of the world for 1914 to appreciably below £90,000,000. At any rate, a fairly substantial reduction in the output of the current year appears certain.

THE BROKEN HILL GROUP.

THOUGH the Stock Exchange is closed investors should continue to watch the progress of the undertakings in which they are interested, lest they lose touch with the factors that influence the intrinsic merit, as apart from the market value, of their securities. In the all-round slump that occurred last week in mining shares and metals, a noticeable feature was the steadiness of the price of lead, which actually rose from £18 12s. 6d. to £18 15s. per ton on the week, which probably explains why Broken Hill share prices declined less severely than other descriptions. We show below a comparison of the highest and lowest prices of Broken Hill shares, and also the highest and lowest quotations of the metals produced in recent years. The latest share prices exhibit a heavy decline, compared with the highest of the

current year, but a large portion of the fall occurred before the débâcle of last week:—

Share Quotations.

	1910		1911		1912		1913		1914		Latest Price
	H.	L.	H.	L.	H.	L.	H.	L.	H.	L.	
British ...	27/0	14/8	71/0	14/8	63/0	42/8	61/0	32/8	45/8	29/4½	29/4½
Broken Hill Prop. (8/-) ...	44/8	32/9	48/9	33/9	59/8	44/0	45/0	32/8	42/9	29/4½	29/4½
Broken Hill N.* ...	37/8	22/1	37/8	27/1	55/6	33/9	54/9	40/0	59/8	45/0	45/0
" " South 6½ ...	4½	4½	6½	4½	9	8½	8½	7	9½	7½	7½
Zinc Corp. (Pref.) —	44/0	30/3	48/0	31/0	47/0	37/0	51/3	48/3	46/3		46/3

* On basis of present capital.

Metal Prices.

	1910		1911		1912		1913		Latest Price
	H.	L.	H.	L.	H.	L.	H.	L.	
Lead ...	13½	12½	16	12½	23½	15½	21½	15½	18
Zinc ...	24½	21½	28	22½	27½	25	26½	20½	21½
Silver ...	26½	23½	26½	23½	29½	25½	29½	25½	25½

The half-yearly reports of a number of the Broken Hill companies will shortly be issued, and will show the degree of progress attained in the first half of the current year, but in the meantime it is possible, from study of the periodical returns, to gain some idea of the operating results.

Of the mining companies proper, the British Broken Hill's half-yearly results, both in respect of the lead and zinc mills, show great improvement. The tonnage of crude ore put through the lead mills was 16,515 tons, against 14,926 tons in the second half of 1913; and the lead contents of the concentrates amounted to 10,171 tons, equal to a yield of 9.3 per cent. of the crude ore treated in the first half of 1914, against 9,222 tons, or a yield of 8.4 per cent., in the second half of 1913. The silver contents similarly increased. The marked improvement thus shown in the results is due to the alteration and renovation of the mill, resulting in much greater efficiency and considerably higher extraction of the metal contents of the ore treated. In view of the fact that the grade of the ore treated in recent half-years has been very low, the better extraction by the plant is a welcome feature. As regards zinc tailings treatment, the Company in March 1913 shut down the old Elmore plant for the purpose of substituting the Minerals Separation process. This new mill commenced operation in November 1913, and has been at work throughout the first half of the current year, with the result that the output of zinc has been markedly augmented. A comparison of the results obtained at both mills is as follows:—

Half-yr. to	Lead Mill Results				Zinc Mill Results				Net Profit £
	Crude Ore Treated Tons	Concentrates Produced Tons	Lead Contents Tons	Av. Price £	Concentrates Produced Tons	Zinc Contents Tons	Lead Contents Tons	Av. Price £	
1913.	95,090	13,591	8,480	17½	4,981	2,011	548	24½	50,968
June 30...	109,284	14,926	9,222	19½	1,375	564	165	20½	46,478
Dec. 31 ... 1914.									
June 30...	109,818	16,515	10,171	19½	16,310	6,922	1,887½	21½	—

Having regard to the larger outputs of lead and zinc during the first half of 1914, and the slightly higher prices of both metals, it seems certain that the report due shortly will disclose an increased profit for the period. The dividend paid in respect of the second half of 1913 was 25 per cent. on the capital of 360,000 shares, all ranking for dividend as £1 each, but the amount required was only just covered by the net profit earned. In respect of the first half of the current year an interim dividend of 12½ per cent. has been paid. The ore reserve position is strong as regards tonnage, but the metal value, judged from the milling returns, is comparatively low—an adverse factor in regard to future profit results in case of a severe decline in the price of lead.

As regards the two principal Broken Hill mines, the North and South, their periodical returns indicate that both did well during the past year. The South Company increased its output of lead concentrates by over 1,000 tons in the period, the improvement being mainly due to the larger tonnage of crude ore dealt with, though probably higher metal value of the ore, or better extraction by the plant, or both, assisted to some extent. The following is a comparison of the South's working results of the past three years:—

	Crude Ore Treated Tons	Lead Concentrates Produced Tons	Percentage of Lead in Crude Ore %	Total Working Costs Per Ton	Av. Price Lead £	Av. Price Zinc £	Total Net Profit* £
Half-year to 1913.	151,836	24,417	11.3	22/7	17½	24½	114,240
June 30 ...	168,957	27,594	11.1	20/11	19½	20½	171,530
Dec. 31 ... 1914.							
June 30 ...	172,330	28,745	11.4	—	19½	21½	—

* Including revenue from sale of zinc tailings and after allowance for depreciation.

Whether or not the South's profit for the first half of 1914 will be larger than earned in the previous half year depends upon the revenue derived from the sale of zinc tailings. Owing to the nature of the selling contracts it is probable that the tailings revenue of the past half-year was affected by the very low price ruling for zinc in the second half of 1913, and it is consequently likely that the total net profit of the first half of 1914 will not show any improvement over the previous six months, despite the larger output of lead. The dividends paid for the half-year have aggregated 14s. per £1 share on the Company's capital of £163,692. This compares with previous half-yearly distributions as follows:—

Dividends Paid.

	1910	1911	1912	1913	1914
First half ...	10%	30%	60%	80%	70%
Second half ...	30	45	85	70	—

The latest price for the £1 shares is 7½. The mine's ore reserves are sufficient to supply the mill for nearly nine years, and the financial position is very strong also.

The North Broken Hill Company continues to progress, its output of lead concentrates being larger than ever before, due to the better grade of the ore treated. The results of operations in the past three half-years compare as follows:—

Period	Crude Ore Treated Tons	Products in Concentrates per Ton of Crude Lead Silver				Lead Recovery %	Total Working Costs per Ton	Aver. Price Lead	Working Profit £
		Lead Concentrates Produced %	Ounces	Per Cent	Oz.				
7 mos. to June '13	153,680	15.8	26,503	12.0	3.8	75.8	18/7	17½	155,070
6 mos. to Dec. '13...	154,829	15.8	26,652	12.0	3.9	75.9	18/2	19½	142,749
June, '14	153,824	16.0	27,168	12.1	4.2	75.9	—	18½	—

(a) According to weekly advices.

† Profit includes revenue from sale of tailings.

The dividends paid by the North in recent half-years have been as shown below on the basis of the present capital of £600,000, increased in 1912 by giving three new £1 shares for each old £1 share.

	1910	1911	1912*	1913	1914
First half ...	5½	10	16½	10	25
Second half ...	6½	11½	36½	20	—

1912 dividends absorbed accumulated funds in addition to working profit.

The latest price of North shares is 2½. Owing to the fluctuating price of the chief product, lead, there is certain to be considerable variation in future dividends. The mining position is an exceptionally strong one, however, with ore reserves blocked out many years ahead of the mill, and the financial condition of the Company is sound.

BANQUETING

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The acoustics of the room have received the highest praise, and the cuisine and wines are of the renowned excellence of the SAVOY.

Orders are taken for parties numbering twenty-five and upwards at from 21s. per head, inclusive of Wines; and at from 10s. 6d. per head, exclusive of Wines.

Menus, Table Plans, Wine List, and all particulars sent immediately, on application to the Manager, Banqueting Department, Savoy Hotel.

TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 5, 1914.

Issue Department.

Notes Issued.....	£44,491,070	Government Debt.....	£11,015,100
		Other Securities.....	7,434,800
		Gold Coin and Bullion.....	28,041,070
	£44,491,070		£44,491,070

Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ..	£11,041,152
Res.	3,547,083	Other Securities.....	65,351,656
Public Deposits.....	11,499,452	Notes.....	8,385,650
Other Deposits	58,749,610	Gold and Silver Coin	1,580,999
Seven-day and other Bills ..	10,312		
	£86,359,457		£86,359,457

Comparison with Four Previous Weeks.
[In £'s sterling—£0,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.	Securities.	Re-serve.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	Govt.		%
July 8	29.5	33.6	12.8	43.8	11.0	34.8	28.5
— 15	29.3	40.0	13.3	42.5	11.0	33.8	29.2
— 22	29.3	40.2	13.7	42.2	11.0	33.6	29.3
— 29	29.7	38.1	12.7	54.4	11.0	47.3	28.9
Aug. 5	36.1	27.6	11.5	56.7	11.0	65.3	9.9

* January 29, 1914. † July 30, 1914. ‡ July 31, 1914.
§ August 1, 1914. ¶ August 6, 1914.

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
July 30, Thursday...	{ 73,000 bars. 174,000 Brazil.	{ 971,000 France. 100,000 Egypt. 150,000 Gibraltar. 60,000 Switzerland. 572,000 Continent.
" 31, Friday ...	139,000 bars.	{ 548,000 Belgium. 143,000 France. 80,000 Malta.
Aug. 1, Saturday ...	56,000 bars.	{ 16,000 France. 100,000 Gibraltar.
" 3, Monday ...	Nil.	Nil.
" 4, Tuesday ...	Nil.	Nil.
" 5, Wednesday ...	Nil.	Nil.
Total for week ...	442,000	2,740,000
Net aggregate ...	[2,293,000 efflux for week.]	
Aug. 6, Thursday ...	Nil.	Nil.
" 7, Friday ...	{ 2,000,000 India. 2,155,000 U.S. coin. 90,000 Argentina. 447,000 Brazil. 874,000 bars.	{ 230,000 France. 12,500 Straits.*

* Set aside.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, £0,000's omitted):	1904	1911	1912	1913	1914
Circulation	£29.3	£30.5	£29.9	£29.9	£36.1
Public Deposits	6.0	7.7	16.8	9.3	11.5
Private Deposits	41.7	43.5	40.8	39.8	56.7
Government Securities	15.7	15.0	13.9	12.7	11.0
Other Securities	26.9	23.5	33.6	27.0	65.3
Reserve	23.3	27.7	28.2	27.5	9.9
Ratio to Liabilities	48.3%	54.10%	48.80%	55.90%	14.60%
Bullion (both Departments).....	34.1	39.7	39.7	39.0	27.5
Money:					
Bank of England Rate	3%	3%	3%	4½%	6%
Bank of France Rate	3%	3%	3%	4%	6%
Rate 3 months' Bills London ...	3%	2½%	3½%	3½—½%	—
Exchanges:					
Paris Cheque.....	25 25½	25 26	25 26½	25 25	—
Hamburg 8 days	20 45	20 47	20 47½	20 46½	—
New York 60 days	4 85½	4 83 70	4 84 25	4 83 25	nom.
Bombay Telegraphic Transfers ..	1/4	1/4	1/4	1/3½	—
Prices:					
Consols 2½ % Cash	87 7½	78½	74 ½	73 ½	69½
French Rente 3 % Money.....	97 70	94 90	92 35	87 47	—
Silver, London spot	-126½	-124½	-128½	-127½	-126
Wheat, Gazette average.....	23/0	32/5	38/4	33/10	34/2
Cotton, Mid. Upland	-16/00	-16/80	-17/00	-16/40	-6/91
Iron, Scotch pig.....	nom.	52/9	66/7½	63/0	57/3

1904: Open-market rates of discount advanced to Bank rate (3%) and a considerable amount of bills were discounted at the Bank at the official minimum. Deposit rates were raised ½% by the discount houses owing to the scarcity of money. Stock markets were depressed.

1911: Money was abundant and seemed likely to remain so. Little success attended efforts to raise rates. Three months' bills were 2½%. Almost everything was unfavourable to stock markets. Negotiations between France and Germany gave rise to apprehension, as also did strikes and fears of strikes at home.

1912: The Bank of England was in complete control of the market. After easy conditions, actual and prospective gold shipments to Brazil caused rates to rise, 3 months' bills hardening to 3½%. Stock markets were strong and a more confident tone caused prices generally to advance.

1913: The expectation that the Balkan troubles were over led to greater disposition to discount bills, the rate for 3 months' bills declining to 3½%. For the same reason a more hopeful feeling prevailed on the Stock Exchange, and prices generally advanced.

ARGENTINA —Gold in Caja de Conversion (at 4s. per peso).	
£914—June 4	£44,913,343
" 11	43,311,319
" 18	43,138,118
" 25	42,890,991
" 30	42,600,000
July 6	42,029,000
" 13	40,457,200

BRAZIL —Gold in Caixa de Conversão (at 16d. per milreis).	
1914—June 12	£12,066,944
" 20	12,432,937
" 30	12,471,922
July 4	12,281,538
" 11	(lowest) 11,639,831
1913—Dec. 31	20,721,521
Feb. 12 (maximum)	26,772,300

FOREIGN BANKS.

[In £'s sterling—£000's omitted.]

AUSTRIA- HUNGARY.	Cash.			Ad- vances.	Amount.	Note Circ'tion. Above— beneath + legal max.	Other Securi- ties.
	Gold.	Silver.	Total.				
July 7, '14 ...	£	£	£	£	£	£	£
July 15, '14 ...	52,119	12,047	64,168	8,310	94,054	—	2,389
July 23, '14 ...	51,986	12,068	64,132	7,934	90,517	+ 1,018	32,209
July 23, '13 ...	51,578	12,141	63,719	7,772	88,740	+ 2,479	31,893
July 23, '12 ...	50,579	10,794	61,373	9,305	90,527	— 1,655	32,720
July 23, '11 ...	51,631	12,272	63,903	5,062	87,878	+ 3,024	30,477
BELGIUM.	Gold.	Cash. Silver.	Total.	Discounts.	Circulation.	Deposits.	
July 16, 1914...	£10,481	£2,821	£13,282	£28,843	£39,452	£3,971	
July 23, 1914...	10,465	2,763	13,228	26,155	39,056	3,452	
July 30, 1914...	10,466	2,241	12,707	33,483	44,766	4,969	
July 31, 1913...	3,264	2,456	11,720	29,803	41,431	4,096	
Aug. 1, 1912...	7,654	2,441	10,095	30,891	38,087	7,829	
DENMARK.	Coin and Bullion.	Discounts.	Balance Abroad.	Securi- ties.	Circulation.	Deposits.	
May 30, 1914 ...	£4,557	£4,915	£1,339	£802	£8,737	£240	
June 30, 1914 ...	4,585	5,309	1,102	602	8,879	264	
July 31, 1914 ...	4,352	6,197	788	588	8,693	47	
July 31, 1913 ...	4,153	4,778	1,181	508	8,193	39	
July 31, 1912 ...	4,239	4,589	808	532	7,792	34	
FRANCE.	Gold.	Cash. Silver.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
July 18, 1914...	£163,707	£26,407	£190,114	£ 64,632	£241,787	£11,598	£ 37,181
July 23, 1914...	164,176	25,584	189,760	61,643	238,476	16,024	37,719
July 30, 1914...	165,654	25,013	190,667	97,768	267,327	15,302	37,903
July 31, 1913...	134,489	25,095	159,584	73,616	227,073	15,523	28,297
Aug. 1, 1912...	131,467	32,071	163,538	51,649	208,587	11,832	25,677
GER- MANY.	Gold.	Cash. Silver.	Total.	Loans & Dis- counts.	Note Circ'tion. Amount.	Above— beneath + legal max.	Deposits.
July 7, '14...	£85,555	£15,737	£81,292	£51,804	£109,615	+ £ 2,888	£41,858
July 15, '14...	67,204	16,238	83,442	43,368	99,728	+ 15,822	44,752
July 23, '14...	67,843	16,727	84,570	40,055	94,545	+ 22,804	47,198
July 23, '13...	67,835	14,852	72,687	51,965	91,300	+ 12,429	35,697
July 23, '12...	48,954	17,514	66,468	58,869	53,869	+ 18,261	37,196
HOLLAND.	Gold.	Cash. Silver.	Total.	Dis- counts.	Ad- vances.	Circulation.	De- posits.
July 11, 1914 ...	£13,344	£654	£13,998	£7,970	£5,463	£26,751	£473
July 18, 1914 ...	13,426	661	14,087	7,650	5,107	26,075	352
July 25, 1914 ...	13,509	686	14,195	7,545	5,140	25,870	395
July 26, 1913 ...	12,273	664	12,957	6,879	6,547	25,704	404
July 27, 1912 ...	12,018	975	12,993	6,689	6,162	24,139	257
ITALY.	Cash.	Inland Bills.	Foreign Bills.	Ad- vances.	Securi- ties.	Circulation.	Deposits.
June 10, '14 ...	£46,787	£16,091	£3,291	£3,057	£8,289	£81,682	£8,180
June 20, '14 ...	46,600	16,993	3,303	2,425	8,327	82,676	8,610
June 30, '14 ...	46,283	18,967	3,346	4,027	8,153	87,320	7,741
June 30, '13 ...	49,838	18,626	2,837	4,111	8,222	65,029	7,889
June 30, '12 ...	48,137	19,524	2,604	5,755	8,662	64,818	8,056
N.YORK BANKS.	Loans & Discounts.	Specie.	L. Tend.	Total.	Legal Net Deposits.	Circulation.	Surplus Reserve.
July 11, '14...	£291,854	£62,592	£13,270	£75,862	£298,870	£8,314	£1,144
July 18, '14...	286,310	61,956	14,700	76,656	294,234	8,360	3,098
July 25, '14...	286,156	63,808	14,892	78,700	295,734	8,348	4,766
July 28, '13...	272,622	57,952	15,764	73,718	275,276	8,338	4,888
July 27, '12...	277,798	58,314	16,398	74,712	285,238	9,148	3,402
N. YORK TRUST COS.	Loans and Dis- counts.	Specie.	L. Tend.	On Dep. with C.H. Members.	Total.	Legal Net Deposits.	Cash Surplus Reserve.
July 3, '14 ...	£127,915	£13,168	£1,587	£16,180	£30,935	£96,544	£273
July 11, '14 ...	128,198	13,518	1,373	13,546	28,437	97,328	292
July 18, '14 ...	127,702	13,149	1,311	12,967	27,427	96,057	51
July 19, '13 ...	113,069	11,241	1,305	13,293	25,839	83,028	92
July 20, '12 ...	131,834	13,458	1,400	13,468	28,368	87,749	236
NORWAY.	Gold.	Balance Abroad.	Swed. Govt. Securities.	Discounts & Loans.	Circulation.	Deposits.	
July 7, 1914...	£3,018	£1,617	£503	£4,603	£8,822	£537	
July 15, 1914...	2,918	1,811	495	4,552	8,777	591	
July 22, 1914...	2,892	1,812	496	4,367	6,658	591	
July 23, 1913...	2,555	1,646	503	4,119	5,959	497	
July 22, 1912...	2,186	1,137	518	3,831	5,274	575	
RUSSIA.	Gold.	Cash. Silver.	Total.	Reserve.	Loans & Dis'nts.	Circulation.	Total Deposits.
July 6, '14...	£173,999	£7,238	£181,235	£16,548	£75,434	£164,687	£107,422
July 14, '14...	174,351	7,339	181,690	18,653	77,425	163,037	106,214
July 21, '14...	174,509	7,322	181,892	18,481	78,081	183,411	109,911
July 21, '13...	161,019	7,766	168,785	22,358	75,574	146,427	111,124
July 21, '12...	152,838	8,038	160,876	32,166	66,104	128,710	105,381
SPAIN.	Gold.	Cash. Silver.	Total.	Loans &c.	Spanish 4 %	Circulation.	Deposits &c.
July 11, '14...	£21,394	£29,033	£50,427	£40,516	£13,778	£76,952	£19,364
July 18, '14...	21,679	29,140	50,819	40,292	13,778	76,774	19,301
July 24, '14...	21,739	29,191	50,930	40,100	13,778	76,760	19,562
July 26, '13...	18,385	29,915	48,300	39,624	13,778	75,219	17,097
July 27, '12...	17,064	30,187	47,251	39,678	13,778	73,062	18,531
SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circulation.	Deposits.	
July 11, '14 ...	£5,878	£6,328	£1,556	£6,671	£12,142	£3,670	
July 18, '14 ...	5,878	6,410	1,556	5,361	11,753	3,835	
July 25, '14 ...	5,878	6,420	1,556	5,136	11,456	3,788	
July 26, '13 ...	5,702	3,770	1,087	7,265	10,917	3,083	
July 27, '12 ...	5,349	5,807	1,315	5,334	10,485	2,468	

SWITZERLAND.	Gold.	Silver.	Total.	Discounts & Advances.	Circulation.	Deposits.
July 7, 1914...	£7,054	£683	£7,717	£5,111	£11,033	£1,846
July 15, 1914...	7,070	720	7,790	4,901	10,559	1,850
July 23, 1914...	7,202	753	7,950	4,817	10,716	2,026
July 23, 1913...	6,767	1,259	8,026	4,691	10,431	2,105
July 23, 1912...	6,731	554	7,285	5,057	10,433	1,700

II.—FOREIGN RATES OF DISCOUNT.

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
Aug. 6, 1914	8	6	6	7	8
Aug. 7, 1913	4	6	5	6	8

a Aug. 1, '14.	b Aug. 1, '14.	c Aug. 1, '14.	d Aug. 3, '14.	e July 31, '14.
f Oct. 31, '13.	g Nov. 1, '12.	h June 25, '13.	i Oct. 16, '12.	j Nov. 15, '12.

Date.	Paris.	Berlin.	New York.	Amsterdam.	Brussels.	Vienna.
July 18, '14	28-22	24	37-44	22	34	34
July 23, '14	28-22	24	41-5	2	34	34
July 30, '14	34	4	5-53	2	Closed	Closed
Aug. 7, '14	Closed	Closed	Closed	Closed	Closed	Closed
Aug. 7, '13	31	4	6-61	21	4	6

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—	Aug. 8, '14	July 30, '14	July 23, '14	Aug. 7, '13
Amsterdam ...	Obques	—	120.3	121.2
Antwerp ...	3 months	—	25f. 55s.	25f. 72s.
Berlin ...	do.	—	20m. 67pf.	20m. 71pf.
Genoa ...	do.	—	25f. 65s.	25f. 27s.
Hamburg ...	do.	—	20m. 67pf.	20m. 75pf.
Lisbon ...	do.	—	481.	443.
Madrid ...	do.	—	45.4p.	43.4p.
Paris ...	Obques	—	24f. 82s.	25f. 25s.
—	3 months	—	25f. 38s.	25f. 52s.
St. Petersburg	do.	—	24.4.	24.4.
Vienna ...	do.	—	24k. 50s.	24k. 60s.

Foreign Rates of Exchange on London, &c.

	Aug. 8, '14	July 29, '14	July 2, '14	Aug. 7, '13
Alexandria ...	Sight	87pf.	87pf.	87pf.
Amsterdam ...	Sight	122.15s.	122.15s.	121.14s.
Berlin ...	Sight	20m. 57pf.	20m. 52pf.	20m. 47pf.
Brussels ...	Obques	25f. 12s.	25f. 23s.	25f. 39s.
Buenos Ayres	90 days	481.	47.4.	47.4.
Calcutta ...	Telegraph	1s. 31d.	1s. 31d.	1s. 41.
Constantinople	Bank 3m.	110 05	110 05	110 05
Hamburg ...	8 days	20m. 60pf.	20m. 48pf.	20m. 43pf.
Hong Kong ...	Transfers	1s. 9s.	1s. 11s.	1s. 11s.
Italy ...	Sight	16r. 30s.	25f. 33s.	25f. 94s.
Japan ...	Transfers	2s. 0s.	2s. 0s.	2s. 0s.
Madrid ...	Sight	28p. 02	28p. 12	27p. 35
—	Gold prm.	3 0s	3 4s	8 6s
Mexico ...	Sight	17d.	17d.	17d.
Montevideo ...	90 days	51d.	51d.	51d.
New York ...	Sight	\$4 93.45s.	\$4 88.10s.	\$4 86.65s.
—	60 days	nom.	\$4 85.75s.	\$4 83.25s.
—	Cables	\$4 89.50s.	\$4 88.85s.	\$4 86.95s.
Paris ...	Obques	24f. 9s.	25f. 17s.	25f. 25s.
Rio de Janeiro	90 days	16.1.	16.1.	16.1.
St. Petersburg	3 months	nom.	95r. 10	94r. 0
Shanghai ...	Transfers	2s. 31d.	2s. 5d.	2s. 8d.
Straits ...	Transfers	2s. 31d.	2s. 31d.	2s. 31d.
Valparaiso ...	90 days	91d.	91d.	91d.
Vienna ...	Short	24k. 15s.	24k. 21s.	24k. 18s.
Bar Gold, standard, per oz.	—	77s. 9d.	77s. 9d.	77s. 9d.
U. S. Gold coin, ...	—	76s. 4d.	76s. 4d.	76s. 4d.
Bar Silver (925) ...	—	23d.	23d.	23d.
Mexican Dollars ...	—	27d. nom.	27d. nom.	27d. nom.

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS

Name.	Week.	Amount.	Ino. or Dan.*	1914	1913	Ino. or Dec.*
BIRMINGHAM...	Aug. 1	1,992,431	97,768	49,041,805	2,431,133	+ 53
BRISTOL...	"	788,000	31,000	22,551,000	1,116,000	+ 52
DUBLIN...	July 25	3,056,200	57,100	93,720,390	2,751,000	+ 0.5
LONDON...	Aug. 1	814,403	182,483	16,129,440	1,271,291	+ 1.8
LIVERPOOL...	July 25	247,974	15,096	9,326,332	452,572	+ 5.1
MANCHESTER...	Aug. 1	5,639,893	599,120	149,161,230	6,111,075	+ 4.2
NEWCASTLE...	"	1,696,984	1,351,343	215,181,390	5,150,192	+ 2.3
NOTTINGHAM...	"	1,121,000	267,000	38,557,851	871,990	+ 2.0
SHEFFIELD...	"	1,411,787	16,294	11,835,120	848,040	+ 8.3
TOTAL...	July 25	17,266,037	94,783	898,016,293	3,153,329	+ 0.5

WEEKLY AVER.	1914	1913	1912
WEEKLY AVER.	20,267,210	+ 105,011	+ 0.5
WEEKLY AVER.	19,935,571	+ 1,024,339	+ 5.9
WEEKLY AVER.	18,978,360	+ 843,927	+ 3.1
WEEKLY AVER.	18,042,970	+ 549,718	+ 3.3

LONDON—	1914.	[1913 omitted from the London clearing]							
TOWN.....	Aug. 5	139,274	—	123,236	8,923,836	+	301,441	+	8.5
METROPOLITAN	" 5	9,993	—	7,474	531,852	+	4,259	+	0.8
COUNTRY	" 5	12,659	—	12,653	833,709	—	8,900	—	1.1
TOTAL.....	" 5	161,929	—	143,368	10,292,398	+	296,603	+	2.8

The following special items are included in the London clearing:

STOCK EXCHANGE	SETTLING DAYS.	CONSOLS	SETTLING DAYS.	"FOURTH" OF THE	MONTH.
1914.	£	+ or -	1914	£	+ or -
June 26	84,137	- 4,269	May 6	53,873	- 2,090
July 10	93,835	+ 16,329	June 2	74,323	+ 2,023
July 29	102,328	+ 15,032	July 1	97,393	+ 22,527
1914 aggr.	1,323,914	+ 55,015		515,593	+ 59,033
				417,203	+ 37,582

* Compared with a year ago.

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	AUGUST 8.	1914.*	1913.	1912.
METALS.				
Iron—Scotch pig warrant.....	ton	57/3	63/0	60/71
—Middlesbrough warrants.....	ton	51/11	51/10	59/7
—Hematite warrants.....	ton	61/0	69/9	78/11
—Staffordshire bars, London ton	ton	29/10	29/10	29/10
—Common bars.....	ton	28/10	28/10	28/10
—Stock, Scotch, Aug. 7.....	tons	1,001	1,045	1,000
—Middlesbrough.....	tons	334,223	192,915	253,955
—W. O. hematite.....	tons	NH	21,169	35,200
Steel Rails.....	ton	25 15	26 12/8	26 7/8
Copper—Standard.....	ton	257 2/8	299 5	273 2/8
—Stock, Europe and abroad.....	tons	26,670	23,142	44,995
Tin—English ingots.....	ton	2138 10	1911—2193	2209—2209 15
—Straits.....	ton	2135	1917 6	2204 10—204 15
Tinplates—Charcoal I.O.....	box	12 0—12 1/4	13/11	15/3—16/6
Lead—Soft Foreign.....	ton	218 15	227 15	219 6—219 10
Spelter—Ord. Foreign.....	ton	221 10/0	220 12/8	226—226 5
—Silesian Ordinary.....	ton	221 7/8	220 12/8	225 17/8
Quicksilver—(76 lb.).....	bottle	88 15	87 5	83 2—88 5
Aluminum.....	ton	282—284	288—288	278—278
Antimony—Regulus.....	ton	226—228	228 10—231 10	227 10—228
Coal—Best London.....	ton	9 0/0	21/8	20/0
—Steam (best) Newcastle.....	ton	15/6	15/6	15/0
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical owt.	ton	10/44	11/0	11/3
Soda—Crystalline owt.	ton	22 2/8—22 5	22 2/8—22 5	22 2/8—22 5
Dyes—Cochin, Teneriffe Silver...lb.	lb.	1/10—2/0	1/10—2/0	1/9—2/3
Indigo—Rangoon good to fine...lb.	lb.	3/2—3/8	3/0—3/6	3/2—3/9
—Stock, June 30.....	cheats	819	1,593	1,811
Linseed Oil—spot.....	ton	225 12/6	226—228 5	233
Linseed—July-Aug.....	1010b.	52/3	46/71	81/6
Olive Oil—Spain.....	ton	249—250	249—249	248—250
Palm Oil—Lagos.....	ton	231 10	237 10	232 10
Petroleum—American.....	ton	7/1	7/1	7/8
Rare Oil—Refined English.....	ton	232	233	234
Tallow—Brit. Town.....	tons	31/3	35/9	35/0—37/0
—Stock, June 30.....	casks	11,433	17,339	15,987
Turpentine—Amer. Split.....	ton	33/0	32/4	32/3
Rare Seed—Owens brown 416lb.	ton	60/0	49 6	50 0
Rubber—Para. spot.....	lb.	2/0	3/10	5/0
—Plantation.....	lb.	2/4	2/31	4/11
—World's Stock, June.....	tons	12,868	9,757	7,179
TEXTILES.				
Cotton—Mid. Upland.....	lb.	8 91	7/40	7/09
—Egyptian good fair.....	lb.	7/55	7/10	7/10
—Perambuco, fair.....	lb.	7/28	7/10	7/10
—Mid. Upl. N. York.....	lb.	12/15c.	12/0c.	12/5c.
—Stock, Liverpool, Aug. 1.....	hales	859,180	765,820	793,693
Flax—St. Petersburg Yarnol ton	ton	238 no. 8	232 10	224 5
Hemp—New Zealand.....	ton	nom.	232	224
—Manila, fair.....	ton	nom.	231	224
Jute—Wheat Marks.....	ton	235 10	226 15	224
—Red 800.....	ton	230	226 15	224
Silk—Blue Elephant.....	lb.	11/8—11/9	10/9—11/0	10/8—10/9
—Prt. Phillinowebd. av. lb.	lb.	7/11—7/10	7/11—7/10	7/11—7/10
FOODSTUFFS, &c.				
Wheat—U.S. July 27 ons.	ons.	24,289,000	38,874,000	20,600,000
—Red, price, N. Y. 60lb. bushel	bushel	94	95	109 1/2
—Galle, aver. price 400lb. qr.	qr.	34 2	33 10	38 4
Flour—London, Whites ex Mill 280lb.	ton	31/8	31/8	30 8
Barley—Glas. aver. price 400lb. qr.	qr.	25/9	24 1	28 6
Hops—English.....	owt.	26 5—17	25 10—28 0	210 15—21
Oats—Glas. aver. price 32lb. qr.	qr.	18 7	20 8	22 2
Hav—Best.....	2016lb. load	82/8	95/0—100 0	105 0—115 0
Maize—N. Y. (New bushel) 56lb.	bushel	82/8	82/8	82/8
Rice—Imports since Jan. 1.....	tons	10,933	8,106	7,553
—Deliveries do.....	tons	8,059	10,369	5,047
—Stock.....	tons	7,531	5,102	4,431
—Price, Basella.....	owt.	6/104—7/14	7/8—7/9	10/6—12 0
Racon Irish.....	owt.	61/0—74/0	84/0—92/0	77 0
Butter, Danish.....	owt.	123/0—125 0	119/0—121 0	122 0
Cocoa, Trin. mid. to fine red owt.	owt.	49 0—52/0	64/0—68 0	71/0—75 0
—Granada, good to fine.....	owt.	53/0—55 8	67/0—69 0	68 0—67 0
Coffee—Imports since Jan. 1 tons	tons	33,990	28,637	24,877
—Home consumption do.....	tons	9,825	9,437	10,455
—Exports do.....	tons	18,320	11,299	8,694
—Stock.....	tons	12,513	18,313	13,751
—Price Costa Rica to fine owt.	owt.	80/0—83/0	78/0—85 0	84/0—102 6
—Brand (Santos).....	owt.	36/0	41/6	59/8
Sugar—Impts. since Jan. 1 tons	tons	453,032	593,276	492,436
—Deliveries do.....	tons	499,839	592,978	473,093
—Stock.....	tons	104,104	121,170	100,379
—Price Java, 95% Off Coast owt.	owt.	10/0nom.	12/3—12 9	11 6
—Beet, 88%, July.....	owt.	8/51	9/3	11 6
—French leaves, Sav's.....	owt.	14/3	14/3	17 9
Tea—Imports..... (for 6 mths.) lb.	lb.	123,230,277	117,467,581	114,363,512
—Home consumption do.....	lb.	155,447,972	143,887,895	141,014,819
—Exports..... do.....	lb.	28,581,765	27,093,250	22,131,200
—Stock, July 31.....	lb.	78,292,000	77,099,000	73,305,000
—Price, Indian, Pek. Song, good lb.	lb.	7/8	7/8	7/8
—Ceylon, Pek. Song, Oct. lb.	lb.	7/8	7/8	7/8

* It is not possible to obtain current prices. Quotations given are the latest available.

VII.—TRAMWAY AND OMNIBUS TRAFFIC RECEIPTS.

Name of Co.	Wkend'd	Miles.	+ or -	Repts.	+ or -	Wk. Aggr.	+ or -
Anglo-Ara.	Aug. 5	329	...	£ 54,377	921	31	1,723,230
Amekland & Wk June 5	251	+ 11	£ 20,919	912	48	2,471,311	
Brasil's Tract. V. of May	30	...	£ 43,431	657	51	2,009,090	
Brianco Elec. V. of June	30	...	£ 98,591	3,577	81	1,647,975	
Bristol V. of	94	31	+ 11	£ 9,450	525	30	2,479,748
Brit. Coln. V. of	May	185	...	£ 67,314	23,677	111	6,124,944
Brit. E. Fel. July 24	£ 63,935	213	30	1,653,690
B. A. Laoroze V. of June	51	£ 44,137	81	121	531,595
Calcutta July 25	351	£ 73,518	7,539	30	20,14,599
Cape Electric V. of June	38	£ 15,554	1,126	121	200,392
Carth. & Herr. V. of June	12	£ 1,475	753	61	13,798
Cork Electric. July 30	81	£ 1,030	18	31	33,192
Dublin United July 31	544	£ 8,191	838	31	177,955
Gearless "Bus. Aug. 1	£ 461	143	31	14,531
Havana Elec. July 19	51	£ 55,778	393	29	1,558,198
Isle of Thanet July 25	204	+ 4	£ 1,410	17	43	32	22,362
Kalcoorrie ... V. of June	206	£ 2,631	161	61	15,522
Lanarkshire ... July 30	224	+ 31	£ 1,537	7	31	57,591	
London C.O. July 29	1451	+ 11	£ 42,235	815	17	759,733	
" Gen.Om. Aug. 1	...	...	£ 71,665	3,050	31	1,982,011
" United. July 31	561	+ 63	£ 6,479	518	31	191,095	
Madras Elec. July 31	...	...	£ 29,911	2,451	30	4,97,763
Manila Elec. V. of June	...	...	£ 132,510	1,033	61	833,593
Metropolitan. July 31	551	+ 31	£ 9,159	70	31	281,873	
M. E. T. "Bus. Aug. 1	...	...	£ 9,356	1,340	30	277,838
Mexico Elec. V. of June	100	...	£ 12,451	3,633	61	3,350,515	
Nat.Steam Co. V. of June	183	+ 63	£ 53,012	8,274	81	145,478	
Potteries Elec. July 17	59	...	£ 2,178	128	29	61,829	
Provincial ... Aug. 1	11	...	£ 2,520	11	44	82,719	
Rangoon Elec. V. of June	26	...	£ 4,997	190	61	32,334	
South Met. July 31	...	...	£ 1,092	176	31	33,847
U. of Merid. V. of June	78	...	£ 23,049	771	81	257,348	
York. W. R. July 26	97	...	£ 1,518	53	40	47,748	

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS, 17 HOME RAILS, 31 WEEKS TO AUG. 2.

[In £ sterling 000's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Alcedonian	1.149	—	£1,226	+ 33	£1,758	+ 68	£3,024	+ 25
Alcedonian & S.W.	471	—	555	+ 10	619	+ 23	1,174	+ 13
Great Central	683	+ 1	770	+ 29	2,112	+ 110	2,882	+ 13
Great Eastern	1.207	—	1,852	+ 1	1,530	+ 17	3,382	+ 10
Great Northern	1.032	—	1,805	+ 7	2,302	+ 17	3,007	+ 12
Gr. S. & W. (Ireland) ..	1.130	—	442	+ 4	460	+ 23	902	+ 27
Great Western	2.884	+ 18	4,255	+ 90	4,701	+ 12	8,956	+ 102
London & York	600	+ 3	1,876	+ 4	2,024	+ 119	3,700	+ 115
London & N.W.	2.034	+ 4	4,217	+ 50	5,150	+ 151	9,367	+ 101
London & S.W.	984	—	2,061	+ 5	995	+ 7	3,056	+ 6
London, Brighton & S.O.	487	—	1,516	+ 4	503	+ 1	2,019	+ 6
Midland	1.584	—	2,878	+ 40	5,289	+ 124	8,167	+ 84
North British	1.375	—	1,178	+ 20	1,843	+ 43	3,021	+ 23
North-Eastern	1.753	+ 2	2,270	+ 66	4,219	+ 149	6,489	+ 83
North London	18	—	98	+ 10	144	+ 6	242	+ 16
S.E. & Chatham Rys.	654	—	2,289	+ 1	695	+ 6	2,984	+ 7
Total for 31 weeks '14	18,126	+ 25	28,938	+ 336	34,344	+ 814	63,280	+ 478
Total for 31 weeks '13	17,916	+ 44	28,209	+ 1,702	34,861	+ 3,724	63,070	+ 5,428
1st wk. to Aug. 2, '14	18,126	+ 25	1,658	+ 19	1,121	+ 30	2,779	+ 49
1st wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 88	1,140	+ 3	2,795	+ 85

CROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Name.	Period.	Gross.	+ or -	Net.	+ or -
Alabama Gt. Southern b	May	\$410,000	+ \$61,000	\$29,000	+ \$67,000
Atchafalpa, Top. & S. Fe.	June	4,958,000	+ 152,000	1,099,000	+ 226,000
Atlantic Coast Line	June	9,271,000	+ 851,000	2,675,000	+ 196,000
Baltimore & Ohio	June	111,110,000	+ 5,786,000	32,115,000	+ 2,476,000
Canadian Northern	June	2,851,000	+ 242,000	478,000	+ 62,000
Chesapeake & Ohio	June	36,833,000	+ 710,000	9,054,000	+ 980,000
Chicago & N. Western	June	8,801,000	+ 214,000	1,522,000	+ 778,000
Chicago Great Western	June	98,411,000	+ 3,144,000	25,357,000	+ 2,419,000
Chic. Burl. & Quincy	June	1,655,300	+ 522,900	463,300	+ 79,200
Chic. Mil. & St. Paul	June	22,700,700	+ 278,800	6,351,700	+ 302,700
Chic. St. P. Min. & Omaha	June	10,050,000	+ 1,620,000	3,336,000	+ 291,000
Chic. & N. Western	June	129,810,000	+ 9,581,000	42,426,000	+ 3,819,000
Chic. & N. Western	June	2,995,000	+ 50,000	784,000	+ 114,000
Chic. & N. Western	June	33,629,000	+ 1,604,000	10,071,000	+ 508,000
Chic. & N. Western	June	7,278,000	+ 82,000	1,582,000	+ 288,000
Chic. & N. Western	June	83,671,000	+ 642,000	20,027,000	+ 1,170,000
Chic. Burl. & Quincy	June	6,520,000	+ 778,000	904,000	+ 220,000
Chic. Burl. & Quincy	June	85,239,000	+ 1,640,000	24,940,000	+ 1,642,000
Chic. Great Western	June	1,090,000	+ 37,000	147,000	+ 47,000
Chic. Mil. & St. Paul	June	13,102,000	+ 329,000	3,103,000	+ 257,000
Chic. Mil. & St. Paul	June	7,111,000	+ 380,000	1,830,000	+ 25,000
Chic. St. P. Min. & Omaha	June	85,734,000	+ 2,308,000	24,352,000	+ 1,357,000
Clev. Cin. Chic. & St. L.	June	1,450,000	+ 77,000	357,000	+ 14,000
Clev. Cin. Chic. & St. L.	June	17,992,000	+ 1,000,000	4,366,000	+ 128,000
Clev. Cin. Chic. & St. L.	June	2,923,000	+ 258,000	499,000	+ 195,000
Clev. Cin. Chic. & St. L.	June	16,408,000	+ 1,200,000	446,000	+ 724,000
Colorado & Southern	June	986,000	+ 119,000	320,000	+ 111,000
Cuba Railroad	June	13,223,600	+ 1,855,000	3,476,000	+ 978,000
Delaware & Hudson	May	462,000	+ 15,000	221,000	+ 17,000
Delaware & Hudson	May	4,732,000	+ 500,000	2,294,000	+ 297,000
Denver & Rio Grande	May	1,897,000	+ 11,000	631,000	+ 9,000
Denver & Rio Grande	May	8,718,000	+ 1,020,000	2,143,000	+ 1,140,000
Denver & Rio Grande	May	1,751,000	+ 162,000	505,000	+ 97,000
Denver & Rio Grande	May	21,376,000	+ 1,204,000	6,646,000	+ 472,000
Erie Railroad	May	4,863,000	+ 543,000	1,347,000	+ 287,000
Erie Railroad	May	65,671,000	+ 1,619,000	11,228,000	+ 3,447,000
Grand Trunk System	June	933,500	+ 121,500	260,200	+ 24,850
Grand Trunk System	June	5,129,400	+ 464,450	1,003,150	+ 83,350
Great Northern	May	\$5,868,000	+ \$1,140,000	\$888,000	+ \$1,045,000
Great Northern	May	69,330,000	+ 2,627,000	22,817,000	+ 3,565,000
Hocking Valley	May	442,000	+ 313,000	146,000	+ 140,000
Hocking Valley	May	6,541,000	+ 550,000	2,062,000	+ 452,000
Illinois Central	June	5,281,000	+ 69,000	863,000	+ 364,000
Illinois Central	June	66,373,000	+ 1,586,000	11,739,000	+ 489,000
Interoceanic of Mexico	May	522,000	+ 285,000	13,000	+ 282,000
Interoceanic of Mexico	May	8,796,000	+ 527,000	2,729,000	+ 206,000
Kansas City Southern	June	980,000	+ 126,000	337,000	+ 109,000
Kansas City Southern	June	10,993,000	+ 287,000	3,318,000	+ 21,000
Lake Shore & Mich. So.	June	4,383,000	+ 435,000	1,096,000	+ 157,000
Lake Shore & Mich. So.	June	24,437,000	+ 4,538,000	4,643,000	+ 3,240,000
Lehigh Valley	May	3,518,000	+ 279,000	1,181,000	+ 127,000
Lehigh Valley	May	36,161,000	+ 3,138,000	9,045,000	+ 2,224,000
Louisville & Nashville	May	4,514,000	+ 557,000	690,000	+ 141,000
Louisville & Nashville	May	55,167,000	+ 369,000	12,085,000	+ 244,000
Mexican Railway	June	688,100	+ 242,600	307,800	+ 174,400
Mexican Railway	June	4,554,000	+ 270,300	1,960,500	+ 592,100
Michigan Central	June	2,839,000	+ 177,000	757,000	+ 17,000
Michigan Central	June	15,961,000	+ 1,734,000	2,660,000	+ 1,410,000
Min. St. P. (Soo) System	June	2,242,000	+ 224,000	468,000	+ 81,000
Min. St. P. (Soo) System	June	29,306,000	+ 2,999,000	8,172,000	+ 3,058,000
Miss. Kansas & Texas	May	2,195,000	+ 215,000	623,000	+ 64,000
Miss. Kansas & Texas	May	22,210,000	+ 715,000	8,001,000	+ 997,000
Missouri Pacific	May	4,624,000	+ 487,000	883,000	+ 699,000
Missouri Pacific	May	65,556,000	+ 2,324,000	12,982,000	+ 851,000
National of Mexico	June	1,569,000	+ 1,526,000	73,000	+ 197,000
National of Mexico	June	34,069,000	+ 23,301,000	2,287,000	+ 1,884,000
New York Central	June	7,985,000	+ 504,000	2,051,000	+ 339,000
New York Central	June	43,820,000	+ 3,864,000	6,894,000	+ 1,801,000
N.Y.N. Haven & Hart	May	5,504,000	+ 236,000	1,073,000	+ 161,000
N.Y.N. Haven & Hart	May	60,842,000	+ 3,051,000	13,104,000	+ 3,670,000
N.Y. Ontario & Western	May	761,000	+ 34,000	195,000	+ 30,000
N.Y. Ontario & Western	May	8,231,000	+ 407,000	1,833,000	+ 617,000
Norfolk & Western	June	3,714,000	+ 29,000	1,135,000	+ 43,000
Norfolk & Western	June	44,470,000	+ 730,000	14,250,000	+ 694,000
Northern Central	May	1,064,000	+ 111,000	122,000	+ 6,000
Northern Central	May	5,024,000	+ 369,000	64,000	+ 124,000
Northern Pacific	May	5,076,000	+ 890,000	1,384,000	+ 85,000
Northern Pacific	May	62,887,000	+ 3,764,000	20,037,000	+ 2,352,000
Pennsylvania System	June	21,072,000	+ 1,280,000	6,119,000	+ 148,000
Pennsylvania System	June	116,568,000	+ 8,253,000	18,763,000	+ 2,861,000
W. of Pittsburgh	June	9,895,000	+ 1,457,000	2,304,000	+ 423,000
Pitts. C.C. & St. Louis	June	63,215,000	+ 7,414,000	7,895,000	+ 528,000
Pitts. C.C. & St. Louis	June	3,313,000	+ 336,000	725,000	+ 352,000
Phila. & Reading Ry.	June	19,024,000	+ 2,141,000	2,973,000	+ 916,000
Phila. & Reading Ry.	June	4,055,000	+ 315,000	1,346,000	+ 190,000
Phila. & Reading Ry.	June	44,785,000	+ 2,739,000	14,462,000	+ 3,858,000
Phila. & R. Coal & Iron	May	2,931,000	+ 362,000	101,000	+ 61,000
Phila. & R. Coal & Iron	May	30,718,000	+ 7,771,000	783,000	+ 3,085,000
Rock Island Lines	May	4,939,000	+ 431,000	458,000	+ 604,000
St. L. & San Francisco	May	62,051,000	+ 2,937,000	12,097,000	+ 1,738,000
Seaboard Air Line	June	3,113,000	+ 411,000	290,000	+ 498,000
Seaboard Air Line	June	39,208,000	+ 675,000	9,240,000	+ 2,872,000
Southern	June	1,947,000	+ 6,000	555,000	+ 24,000
Southern	June	25,292,000	+ 763,000	6,965,000	+ 146,000
Southern Pacific	June	5,167,000	+ 20,000	773,000	+ 416,000
Southern Pacific	June	69,534,000	+ 1,004,000	16,311,000	+ 1,545,000
Union Pacific	June	11,544,000	+ 101,000	3,031,000	+ 230,000
Union Pacific	June	138,521,000	+ 4,254,000	37,695,000	+ 6,512,000
Wabash	May	6,718,000	+ 552,000	1,934,000	+ 342,000
Wabash	May	84,255,000	+ 1,250,000	29,066,000	+ 2,928,000
Western Pacific	May	2,304,000	+ 309,000	175,000	+ 243,000
Western Pacific	May	27,685,000	+ 1,485,000	4,424,000	+ 1,326,000
Western Pacific	June	511,000	+ 1,000	117,000	+ 19,000
Western Pacific	June	6,093,000	+ 73,000	697,000	+ 708,000

(a) Net after taxes. (b) Net before taxes. (m) Mexican S. (*) Compared with previous year. (†) Months. (‡) As published a year ago. (‡) Joint Lines excluded. (‡) Joint Lines included. (‡‡) Includes Wisconsin Central.



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The Statist.

LONDON, SATURDAY, AUGUST 8, 1914.

THE FINANCIAL SITUATION.

It is of very great, indeed of almost supreme, importance that the country should realise and feel its great financial strength, for obviously success in the great struggle in which we are now engaged will in no small measure be governed by our ability to meet any expenditure that may be imposed upon us. Luckily the storm has come just at the moment when the country fundamentally is exceptionally well prepared. In recent years the savings of the nation have been exceedingly large, and have been devoted to purposes which give an immediate income. Furthermore, and what is of very great importance, the nation's money has been devoted mainly to increasing the world's supply of food and raw material, so that however long the war may last no shortage in the world's food supplies is likely to be experienced. One has only to look over to Canada and to the Argentine in order to see the vastness of the area of the new land opened up to cultivation by the extension of railways built with the aid of British capital in recent years. Had the war come at a time when preparations for an increased production were less ample than they are at present a serious situation would have arisen; but fortunately the people of this country, provided the British fleet is able to maintain its command of the sea, can safely rely upon receiving all the food and material they will need from the countries which produce these essentials, for unprecedented amounts of food and material will have to be sent to this country in payment of interest on the vast sums of money invested by the British people in Colonial and foreign lands. It is computed that the amount of British capital employed abroad is no less than 4,000 millions, and each year the income derived therefrom is as much as 200 millions. The whole of this great sum must be sent to us in food and material. Over and above this great income that of our shippers, of our bankers,

and of our brokers and others is computed to reach about 150 millions, and this also must come to us in the food and material we need. It should be understood that this country has to receive from Colonial and foreign nations an annual sum of about 350 millions without having to send out any goods in payment other than services. Beyond this amount, however, even in the worst conceivable circumstances, a large additional sum must come to us in payment for goods which we export. It is true that at the moment the breakdown of credit in this country has caused the breakdown of credit all round the world, but it is obvious that the disturbance to credit is merely temporary, and before many weeks are past it will probably be fully restored, both in England and in other countries outside the war area, and that a heavy demand will arise for British goods in payment for the great quantities of food and material that will be sent to this country.

It is true, of course, that our trade with the Continent will be checked, at any rate as regards our trade with the enemy; but against this has to be placed the fact that neither Germany nor Austria will be able to export any appreciable amounts of goods to any country, and that consequently a deficiency will arise which must be supplied by the countries capable of supplying similar goods. The only countries that will be in a position to supply the goods usually supplied by Germany are Great Britain and the United States, and therefore against the loss of trade with the Continent must be placed the increased trade which will be carried on with other countries. Therefore provided that confidence is restored and the temporary damage to the credit system repaired, our trade should be maintained at a very high level, and we should be able to obtain all the food and the material we need by exports of goods. Last year the value of our net imports was £659,000,000. To pay for similar amounts in the future we shall have to export goods to the value of between £300,000,000 and £350,000,000. It will be borne in mind that last year the value of our exports was £525,000,000, but with this great sum we not only paid for all the goods imported, including manufactures, but we also paid for about £200,000,000 of securities. Of course, during the war our ability to find capital for other countries will practically cease. Indeed, from time to time it may be that we shall import capital either by disposing of a portion of the £4,000,000,000 of foreign investments that we hold or receiving subscriptions from friendly countries to our issues of Consols. In proportion as we sell securities to or receive subscriptions to our war loans from other countries, the smaller will be the amount of goods we shall have to export in order to purchase as much food and material as we did last year. In the current week prices of commodities have shown substantial advance, but as the weeks pass and food is received from Canada, the United States, Argentina, and elsewhere, the advance in prices should be stayed, and be followed by a substantial fall.

In the current year the crops of the United States are unusually abundant. Indeed, the supply of wheat has far exceeded all previous records, and it is evident that the United States will have about 150,000,000 more bushels of wheat to export this year than they had last year, practically the whole of which will be available for this country. It is unnecessary to refer to the manufacturing capacity of Great Britain at the present moment. It is obvious that if last year our

factories could supply all the things which the British people themselves needed, could produce enough to pay for all the food and raw material imported, and over and above this produce goods sufficient to pay for £200,000,000 of securities bought from abroad, they are able to create all the goods that will be needed to pay for the food and material we need from abroad at a time when we shall not be prepared to invest much capital overseas. In other words, on last year's basis there is a margin of producing power to the extent of something like £200,000,000. Thus on the one hand we have the fact that England is able to produce goods needed by the world, and on the other the world is able to produce the food and raw material needed by the British people, the whole question of the volume and extent of British trade depending upon the success of the British Fleet in keeping the command of the sea. The purely financial situation is as strong as the economic situation. It is true that at the moment the stoppage of remittances from foreign countries to London to meet maturing bills has for the moment thrown the credit system into disorganisation, but inasmuch as the sums that have not been received are comparatively small, it is evident that the situation will be quickly rectified, and that the machinery of credit will shortly be restarted. No one can doubt the strength of our great accepting houses or the strength of our banks, and in a very short time the means will be found of overcoming the trouble that has arisen simply through the physical difficulty in remitting money from abroad to this country. In brief, all the conditions are favourable; first, to the maintenance of British credit and to the credit system of the world; secondly, to the maintenance of British trade at a high level and the ability of the British people to import and to pay for all the food and material they need; and, thirdly, to the raising of all the money, however great the sum that may be needed, to carry the war to a successful issue. It is essential, however, that everyone should realise how extremely strong fundamentally the economic and financial condition of the country really is, and that everyone should act in a normal manner, and should confidently expect that his income will be maintained, and that he will be able to go on doing those things and spending just as much money as in recent years. Economy, however, is desirable. All that is necessary is that the money we have been lending to foreign countries, and which last year amounted to £200,000,000, should now be devoted to war purposes. If a greater sum than £200,000,000 a year is needed for the prosecution of the war, then it may be necessary to effect a certain measure of economy in order that the savings may be greater. The balance of the annual savings of the nation of about £200,000,000 is needed in large measure for the construction of houses and the extension of factories, and it is obvious that a great many new factories will have to be erected in order to provide all those things which a country needs in a period of war and does not require in periods of peace. Should, however, circumstances arise to render so great an expenditure essential, we have no doubt whatever that out of new savings the country will be able to raise some £300,000,000 of money in the year for war purposes over and above any sums it may obtain by the sale of some portion of its great holding of foreign securities. Thus as far as the financial situation is concerned the position is one of great strength.

WAR.

BRITAIN'S HANDS CLEAN.

A WATON, unprovoked war has been sprung upon an unsuspecting and unwilling world. No man can foresee its extent or its duration. There is only one thing certain concerning it, that it will inflict untold misery upon incalculable numbers of human beings; that, if it lasts for any time, it will impoverish most of the belligerents; and that it must, at all events for a while, stop progress. In the face of all this, we of the United Kingdom have only one thing to console us. It is that our hands are clean. We are, in no sense of the word, guilty of our brothers' blood. The time given was so short that little could be done to prevent the catastrophe. But what could be attempted was tried by our Foreign Secretary, and tried in vain. We even offered mediation. We pleaded for a little delay and reconsideration. But we were met with an obstinate refusal to assist in any way in shielding the world from the threatened disaster. It could not be that the two allies suspected our sincerity, for it is patent to every man who cares to exercise his judgment that we have a greater Empire than we are able to govern quite as we should wish. That Empire extends over so vast an area that we know our own poor abilities are not equal to the task which we have inherited. Therefore, in the conflict that has begun, we are aware that even if we are more successful than our most sanguine hopes, we shall gain nothing to compensate us for the sufferings and losses that we must undergo. We want no more territory. We want no war indemnity. Peace is our greatest interest, and our greatest desire. All this is so notorious that our brethren in the self-governing communities beyond the sea are offering us help to the utmost of their resources. Indeed, all the neutral nations agree that it would be extremely difficult for us to keep out of the fray, looking at the way it has been brought about. Therefore, we as a people, believe in all sincerity that we have done our best to prevent a great sin against humanity; and that, having failed, we have no option consistent with honour, but to engage in the hostilities that are forced upon us. At the same time, we do not shut our eyes to the fact that two public men who have occupied such prominent positions in the Cabinet as Lord Morley and Mr. Burns have resigned; and, as we know how very unwilling they must have felt to cause a split at so anxious a time in the Government in which they played so distinguished a part, we must recognise that there may be other persons who doubt whether Ministers could not have held their hands for a while. In the minds of most persons who have carefully read Sir E. Grey's impressive speech of Monday last we are persuaded that there can remain very little doubt. Sir Edward, however, has not left the world to judge by his own speech alone. He has since published correspondence on the crisis which enables everybody who wishes to study the matter first-hand to decide for himself whether we are as clean-handed as we believe ourselves to be.

Exigencies of space prevent us from publishing much of this very remarkable correspondence. It will well repay close study by all who desire to master the real facts. We shall content ourselves, therefore, with reproducing only such passages as seem to reveal most clearly the real intentions of the several great Governments concerned. And first we give the following from a report sent by the British Ambassador in Berlin to Sir E. Grey, the British Secretary of State:—"He (the German Chancellor) said that should Austria be attacked by Russia, a European conflagration might, he feared, become inevitable, owing to Germany's obligations as Austria's ally, in spite of his

continued efforts to maintain peace. He then proceeded to make the following strong bid for British neutrality. He said that it was clear, so far as he was able to judge the main principle which governed British policy, that Great Britain would never stand by and allow France to be crushed in any conflict there might be. That, however, was not the object at which Germany aimed. Provided that neutrality of Great Britain were certain, every assurance would be given to the British Government that the Imperial Government aimed at no territorial acquisitions at the expense of France should they prove victorious in any war that might ensue. I questioned his Excellency

Germany
and
England.

about the French colonies, and he said that he was unable to give a similar undertaking in that respect. As regards Holland, however, his Excellency said that so long as Germany's adversaries respected the integrity and neutrality of the Netherlands, Germany was ready to give His Majesty's Government an assurance that she would do likewise. . . . His Excellency ended by saying that ever since he had been Chancellor the object of his policy had been, as you were aware, to bring about an understanding with England; he trusted that these assurances might form the basis of that understanding which he so much desired. He had in mind a general neutrality agreement between England and Germany, though it was, of course, at the present moment too early to discuss details, and an assurance of British neutrality in the conflict which the present crisis might possibly produce, would enable him to look forward to realisation of his desire. In reply to his Excellency's inquiry how I thought his request would appeal to you, I said that I did not think it probable that at this stage of events you would care to bind yourself to any course of action, and that I was of opinion that you would desire to retain full liberty. Our conversation upon this subject having come to an end, I communicated the contents of your telegram of to-day to his Excellency, who expressed his best thanks to you." The despatch from Sir E. Goschen is dated July 29, that is the Wednesday immediately following the ultimatum sent by Austria-Hungary to Servia, before it was fully known that Russia was mobilising, and before, therefore, the full gravity of the situation could be measured. Yet, as Sir E. Goschen terms it, the proposal of the German Chancellor is in effect a bid for British neutrality. To this remarkable bid, Sir E. Grey replied on July 30, the very next day, in the following terms:—"Your telegram of 29th July.—His Majesty's Government cannot for a moment entertain the Chancellor's proposal that they should bind themselves to neutrality on such terms. What he asks us in effect is to engage to stand by while French colonies are taken and France is beaten so long as Germany does not take French territory as distinct from the colonies. From the material point of view such a proposal is unacceptable, for France, without further territory in Europe being taken from her, could be so crushed as to lose her position as a Great Power, and become subordinate to German policy. Altogether, apart from that, it would be a disgrace for us to make this bargain with Germany at the expense of France, a disgrace from which the good name of this country would never recover. The Chancellor also in effect asks us to bargain away whatever obligation or interest we have as regards the neutrality of Belgium. We could not entertain that bargain either. Having said so much, it is unnecessary to examine whether the prospect of a future general neutrality agreement between England and Germany offered positive advantages sufficient to compensate us for tying our hands now. We must preserve our full freedom to act as circumstances may seem to us to require in any such unfavourable and regrettable development of the present crisis as the Chancellor contemplates. You should speak to the

Chancellor in the above sense, and add most earnestly that the one way of maintaining the good relations between England and Germany is that they should continue to work together to preserve the peace of Europe; if we succeed in this object, the mutual relations of Germany and England will, I believe, be *ipso facto* improved and strengthened. For that object His Majesty's Government will work with all sincerity and goodwill. And I will say this: If the peace of Europe can be preserved, and the present crisis safely passed, my own endeavours will be to promote some arrangement to which Germany could be a party, by which she could be assured that no aggressive or hostile policy would be pursued against her or her allies by France, Russia, and ourselves, jointly or separately. I have desired this and worked for it, as far as I could, through the last Balkan crisis, and, Germany having a corresponding object, our relations sensibly improved. The idea has hitherto been too Utopian to form the subject of definite proposals, but if this present crisis, so much more acute than any that Europe has gone through for generations, be safely passed, I am hopeful that the relief and reaction which will follow may make possible some more definite *rapprochement* between the Powers than has been possible hitherto."

Reporting a conversation with the German Ambassador in London, Sir E. Grey tells Sir E. Goschen that he had said to the Ambassador "mediation between Austria and Russia could not take the form simply of urging Russia to stand on one side while Austria had a free hand to go any length she pleased. That would not be mediation. It would simply be putting pressure upon Russia in the interests of Austria." The British Ambassador at St. Petersburg, writing to Sir E. Grey, observes: "I fear that the German Ambassador will not help to smooth matters over if he uses to his own Government the same language as he did to me to-day. He accused the Russian Government of endangering the peace of Europe by their mobilisation, and said, when I referred to all that has been recently done by Austria, that he could not discuss such matters." Lastly, the British Ambassador at Vienna reports to Sir E. Grey: "I am informed by the Russian Ambassador that the Russian Government's suggestion has been declined by the Austro-Hungarian Government. The suggestion was to the effect that the means of settling the Austro-Hungarian conflict should be discussed directly between the Russian Minister for Foreign Affairs and the Austrian Ambassador at St. Petersburg, who should be authorised accordingly." For want of

Mr. Asquith's
Characteri-
sation.

space we are unable to quote further from this exceedingly instructive and interesting correspondence. What has been given, however, clearly shows that the Governments, both of Germany and of Austria-Hungary, were persuaded that England could be induced to remain neutral, and that Russia was not in a position to fight, inasmuch as the reorganisation of her army and navy were very far from completion. Practically, therefore, they believed that, however loudly Russia might talk, she would be unable to seriously interfere with their operations, and that practically, therefore, Austria would be free to do as she pleased with Servia, while Germany would have France at her mercy. The world has the correspondence before it, and is in a position now to judge for itself between all the parties to this dread contest. We entertain no doubt that the verdict will be against the aggressors, and that most people, abroad as well as at home, will endorse Mr. Asquith's characterisation of the attempt on the part of the German Chancellor to bribe the British Government to play false to the interests and the honour of the country, namely, that it was an infamous proposal to barter away French colonies and the Kingdom of Belgium as the price of our neutrality.

MAKING READY FOR THE STRUGGLE FORCED UPON US.

In a speech worthy of the foremost Prime Minister of the British Empire, in the greatest crisis it has ever had to pass through, Mr. Asquith on Thursday gave convincing proof that we are fortunate enough to have at our head at this supreme moment Ministers who know their own minds, are well aware of the resources of the Empire, and are resolved to acquit themselves as men should in the day of danger. He asked for a Vote of Credit of the unprecedented amount of 100 millions sterling. The whole of this vast sum is not needed for actual military and naval purposes. Much of it will be spent in guarding the non-combatant population from the consequences of the losses and privations that must arise from the struggle which has been forced upon us unprovoked.

Government Action.

The first duty, however, it is hardly necessary to add, of the Government and the people is to put ourselves in a position in which we can meet the blows that are directed against us. Accordingly, the Prime Minister asked for permission to add to the present strength of the Army 500,000 men. He pointed out that the self-governing Dominions, Commonwealths, and Unions are offering us assistance to the utmost of their resources; and he added that two divisions at least are to be obtained from India. Therefore, he pointed out, it is incumbent upon us to show that we are not behind our brothers beyond the seas in the resolution to do what becomes us in such a grave emergency. The Navy, as our readers are aware, is mobilised. The Army is being mobilised as quickly as possible. Recruiting is going on most satisfactorily. And volunteers are coming forward in the manner that might be expected when the nation is assailed without giving provocation. There seems little doubt, therefore, that all the men required will be found. But of course it will take a considerable time before troops not actually belonging to the Regular Army will be sufficiently trained to take their places in the fighting ranks. Still, it is perfectly clear that our Government is fully alive to the strain that will be put upon us by the great conflict which has begun, and that, without a moment's delay, it is setting itself to the task of making us ready when the occasion comes. Incidentally, the Prime Minister mentioned that in this grave crisis he feels that it is impossible for a single man to discharge the functions of Premier and of War Minister; that, therefore, he has invited Lord Kitchener to become War Minister; and that the latter has agreed, making it clearly understood that he is not a party man and in no way identifies himself with party, even though he enters a Liberal Cabinet. The country, we feel sure, recognises the public spirit of Lord Kitchener and congratulates itself on having ready so able a soldier and efficient an administrator. It would, of course, be better if we were sufficiently prepared already to give assistance to the gallant Belgians who are defending their country so heroically. We make sure that whatever can be done in their behalf will be effected. In any case, it is no use now harking back. Our task is to do everything that men can do to show, firstly, that we enter this conflict with clean hands; and, secondly, that we are determined to take such measures as we can to make sure that the world will not again be soon and wantonly assaulted from a mere spirit of greed and ambition.

War, always terrible, always ruinous, is especially so in these days when science has armed combatants with destructive weapons out of all comparison more effective than anything known in the past; and when, moreover, invention has drawn the nations so close together that trade has increased and multiplied in a manner that no imagination was powerful enough to

picture to itself even a few generations ago, and when, therefore, the very being of the populations of the earth depends in a large measure upon credit. We have seen during the past couple of weeks this statement verified beyond expectation. The whole machinery of trade has been brought to a standstill, and it will tax the ingenuity of the ablest

Courage and Patience the Duty of All.

men to prevent wreckage if the most earnest and the speediest measures are not adopted. The country is to be congratulated on possessing at this critical period a Cabinet which, without pressure from outside, at once recognises the duties incumbent upon it, and sets itself bravely and steadily to do what, with the best advice it can obtain, is possible. In the first place, then, it has undertaken the insurance of shipping. The measure has been long before the country, but successive Governments shrank from it. Possibly the shrinking might have continued were it not for the lesson we have had during the past week or two. In this country we are dependent for our daily bread—not only food and other necessities of life, but also for the means of buying food—that is to say, for food and raw materials to keep our people in employment. Clearly, then, it is of the first necessity that the seas should be kept open, and that the country should be assured that food and raw materials will regularly be imported. It will be the task of the Navy, in the first place, as far as human foresight and human skill can avail, to keep the seas clear. Happily, we have coaling stations so numerous and so scattered over the globe that the task in that respect ought to be not over-difficult. But however well we may count upon our sailors doing their duty, we must remember that trade cannot be kept going regularly without good credit. Therefore the Government has wisely and properly set itself to restore credit. The measures adopted are so fully explained in our daily contemporaries that we need not go into details respecting them. But we may say in a few words that the Government undertakes the insurance of shipping. Insurance agents of all kinds must not be blamed too severely because of the panic they were driven into by the unexpected outbreak of war. It is to be hoped, however, now that they will recover courage, and that they will set an example of helping to restore confidence. In any event, shipowners, manufacturers, and merchants have the assurance that they can find Government insurance. Secondly, the Government, in agreement with the bankers, has provided for a plentiful supply of currency. The Bank of England is authorised to issue £1 and 10s. notes. The bank-notes will be legal tender, and until a plentiful supply is available postal orders will be current everywhere. It is earnestly to be hoped that our people will not hoard gold. On the Continent where nations are exposed to invasion, and, therefore, to looting, hoarding is excusable. Here at home it is a crime for which no justification can be pleaded. If the public, recognising its duty, supports the Government policy and refrains from hoarding there will be plenty of money available for every possible purpose. Therefore, credit ought to revive at once, especially when everything practicable is being done to ensure safe importing and exporting. Moreover, a new Proclamation is to be issued extending the moratorium so that no person rendered incapable of fulfilling his engagements because of the stoppage of communication with the belligerent countries need fear having to suffer. We earnestly hope, therefore, that the public will recognise that everything possible is being done. That there is a Committee of the Government appointed to watch over the fulfilment of all orders so that even excessive prices will not be allowed. Therefore, that those who may be tempted to make undue profits for themselves at the expense of the poor will not be allowed to do so. In these supreme moments it is the duty of every man amongst us to do what he can to maintain confidence amongst the people; to avoid

doing anything that may embarrass other people, or fight against the action of the Government; and thus to show a complete and united front to the enemy.

UNPROVOKED WAR.

A FORTNIGHT ago to-night the Austro-Hungarian Government rejected Serbia's answer to her ultimatum as unsatisfactory, and three days later declared war against that little State. In consequence, Russia immediately began to mobilise. As soon as this was known, the German Government, without giving opportunity for mediation, negotiations, or even explanation, peremptorily demanded of her to cease doing so. Only twelve hours were given for consideration. At the end of that time the Kaiser's Government declared war against Russia. Thus the two Kaisers, without provocation, and even without allowing time for calm consideration, rushed headlong into hostilities with Russia. At the same time a German corps invaded Luxemburg without asking leave or giving notice, although Germany is one of the guarantors of the independence and inviolability of the Duchy, and forced its way into France. Meanwhile, the German Government demanded of the Belgian Government to permit a German army to cross the Belgian territory for the purpose of attacking France, promising if it did so that at the end of hostilities Germany would not take any Belgian territory. The King of the Belgians immediately appealed to Great Britain as guarantor of the integrity and independence of Belgium for support and protection. In consequence, our Government asked from the German Government an assurance similar to that already given by France that it would not invade Belgian territory. Germany refused, and, in consequence, war was declared by

The Forces Arrayed against One Another.

the British Empire against the two aggressive allies. The result of all these operations is to bring about hostilities on a scale more extensive than has been witnessed since the commencement of the Revolutionary wars, now nearly a century and a quarter ago. On the one side are the aggressors, Germany and Austria-Hungary. The former has a war strength of four millions of men. The latter is generally credited with a war strength of about 2½ millions. There are strong doubts, however, whether the real war strength of the Dual Monarchy is anything like so large. We may assume, however, that the war strength of the two allies is about six millions of men, and possibly may exceed that figure by half or three-quarters of a million. Against these two great States there are arrayed at present our own country, France, Russia, Belgium, and Serbia. Moreover, it is stated that Germany has addressed an ultimatum to Italy summoning her to fulfil her duties as a member of the Triple. But this is contradicted. Russia and France have a war strength of four millions of men each, so that the Dual Alliance ought to be able to put in the field much larger forces than the aggressors of Central Europe. In addition there is Belgium, whose forces are quite small compared with the immense masses that the Great Powers can set in motion; but still which are heroically checking the advancing Germans, and thereby materially delaying their attack upon France. Owing to the disarrangement of all postal and telegraphic systems we are entirely in the dark respecting Serbia. It is generally estimated that with the assistance of Montenegro, and with the help likewise of the newly acquired territory, Serbia will possibly be able to put in the field 400,000 men. The figures may or may not prove correct. There is a rumour in circulation that the Servians have already invaded Bosnia and the Herze-

govina in the hope of stirring up a general rising in the two provinces. There is nothing improbable in the report. If it proves correct, and the Servians are successful in raising a revolt, it is quite possible that they may be able to give serious trouble to the Austro-Hungarians. It will be remembered that Austria-Hungary was the first to move in the terrible struggle that is now beginning. She accused Serbia of having, if not incited the murderers of the Grand Duke Francis Ferdinand, at all events of having cloaked them, and even of having assisted them in their movements. It was, therefore, generally assumed that as she had taken time before making any demand upon Serbia she had made herself assured in the interval that she was fully prepared; that, in consequence, she would throw such a force into Serbia as would make it impossible for the little State to hold out until Russia should come to its assistance. As yet, however, Austria-Hungary appears to have satisfied herself with bombarding Belgrade. There is no intelligence that an Austro-Hungarian force has entered the kingdom. Many are inclined to suspect that, as a matter of fact, Austria-Hungary is not prepared, and that she used the murder of the Grand Duke as a mere pretext to force war upon Russia. However that may be, the fact that Austria-Hungary gave Serbia only 48 hours to comply with an ultimatum which no independent Government could be expected to submit to in its entirety, shows either that the Austro-Hungarian preparations are less forward than was generally assumed, or else that the Russian mobilisation has made greater progress than hitherto has been believed.

It is too soon yet to form even a conjecture as to how long the conflict may last, or what may be its ultimate outcome. The result clearly will depend upon so many circumstances that cannot now be foreseen that no man who has regard for his own reputation will commit himself to a prediction. If Germany and Austria-Hungary are as fully prepared as their breach of the peace without provocation would seem to imply, they will before very long break down all opposition that can be offered by the smaller States. If, on the other hand, it turns out that, to some extent at all events, Austria-Hungary has been playing a game of bluff, the war may come to an end much earlier than anyone now dares to hope. In any case, if the Servians, backed to a greater or less extent by a rising in Bosnia and the Herzegovina, can delay the Austro-Hungarian troops being hurried forward against Russia, they may completely defeat the object the assailant had in view. A great Russian army coming up would give encouragement to the small Slav States everywhere, and incidents might occur which would largely neutralise the fighting power of the Dual Monarchy. Similarly, if un-

An Ideal Solution.

expectedly Belgium and Holland can delay the attack of the Germans upon France, France may have at her disposal to meet them when at last they invade her territory a force quite as large as their own. It is impossible, then, even to guess what the immediate consequences will be; while we have to recollect that there is no love lost between Italy and Austria-Hungary; and, furthermore, Italy has an inducement to join the States which are maintaining public law, for there is still Italian territory held by Austria. If, however, it be difficult, as undoubtedly it is, to form any estimate of what is likely to be the course of events in the immediate future, it is still more difficult to gauge the consequences of a protracted struggle. None of the great armies preparing to attack one another has been tested in the lifetime of the present generation. It is over 43 years since the end of the Franco-German war. During that long time the German Army has never been called upon to meet the army of another great State. We are, therefore, entirely in the dark as to the real spirit of the German Army or the capacity of its

generals. Similarly, France has never for the same space of time been engaged in a conflict with a great civilised Power. Austria-Hungary has had to subdue Bosnia and the Herzegovina, it is true. But she has not been tried in a really great war since 1866. In the same way, it is difficult to speak at all confidently respecting the struggle on the sea. The British and the French fleets are largely superior to the fleets of the enemy. But it is so long since any of the fleets have been engaged in warfare that any estimate now framed would be inspired rather by national hope than by substantial reason. Without, then, venturing to offer any opinion, we may say that the ideal ending of the war would be the complete liberation of the Slav nationalities from the Austro-Hungarian Monarchy. Before the war broke out a great Confederation might have effected all that was necessary provided Hungary could have been induced to agree to a great Confederation. But in the present condition of things what would be the ideally perfect solution would be the creation of much stronger Slav States in South-Eastern Europe, Serbia being strengthened by the addition of the Serbs not only in Bosnia and the Herzegovina, but in the other parts of the Dual Monarchy; Croatia also realising her dream of a Greater Croatia; and Roumania obtaining Transylvania. We say that it would be the ideal result because, in the first place, as long as there are growing, ambitious, and well-organised small Slav States they will never rest until they get those provinces from Austria-Hungary. Consequently, if the present war were to end without satisfying their aspirations it would simply mean a truce to be broken at the first favourable opportunity. If, in addition to this, Alsace-Lorraine could be restored to France, it would offer the best possible chance of a long period of peace for all Europe. While Germany holds Alsace-Lorraine there is little prospect of friendly relations between Germany and France; whereas if Germany gave up Alsace-Lorraine it would be possible to hope, at all events, that old injuries given and received would be forgotten, and that Western Europe and Central Europe might live together in amity for a long time to come. Were Austria and Hungary to remain united they would still constitute a very respectable Power with about twenty million inhabitants. And if the Poles of the Monarchy were content to throw in their lot with the Hapsburgs the Monarchy would be still more powerful, and would be able to play a very considerable part in the future. In any case, the Germans of Austria and, we presume, the Magyars of Hungary at the worst would find a refuge in the German Empire. On the other hand, if the Poles refused to remain in the Hapsburg Monarchy, and if, when Germany found herself with her back to the wall, the Poles of Posen rose, a Polish Kingdom might be formed which, if added to Austria and Hungary, would make up an empire that would be able in all contingencies to give a good account of itself. Such a solution, if it were to be the ultimate outcome of the war so wantonly forced upon peace-loving peoples, would not only offer the advantages just suggested, but it would likewise call into existence a buffer between Central Europe on the one hand and Russia on the other.

WAR AND ITS ECONOMIC CONSEQUENCES.

ALTHOUGH mobilisation is not yet completed, and, consequently, no serious engagement has taken place, we have already had a foretaste of the economic consequences it will bring upon the world if it is not speedily brought to an end. Prices everywhere have seriously risen. The British Government finds itself compelled to enter into the business of insurance so as to prevent such a stoppage of our food supplies as would fall with intolerable weight upon the poorer

inhabitants of the United Kingdom. It has also had to institute a moratorium. All over the Continent the bourses are closed. Even in London the Stock Exchange has been closed for three days. And the Government has had to hold serious conferences with bankers and to authorise the issue of emergency currency. Everybody believes that while the German Army is the most efficient in Europe, the British Fleet is upon the sea the greatest and most efficient in the world. Therefore, it is not fear of invasion that inspires all these measures. It is the recognition,

A Foretaste of Suffering.

which was not by any means as complete as it ought to have been beforehand, of the terrible consequences that may ensue unless the Governments of all the combatant nations take pains to do everything which is possible to avert disaster. Even in New York there has been almost as great a paralysis of business as there has been here in London. The Stock Exchange is thrown out of gear. The banks have practically had to suspend business. If such has been the case in the great financial and commercial metropolis of the United States, it can surprise nobody that the effect has been still more serious in the South American countries and throughout our self-governing colonies. People are asking if the great military States, which have been so carefully and with such ill-directed foresight improving in every possible way their military systems, call up the millions of men which undoubtedly they have the power to do, what will be the effect upon trade, and how are debtors to meet their engagements? Germany, to take the most striking illustration, is credited with a total war strength of four millions of men. Of course, she does not contemplate the necessity of putting the whole of these in the field. Indeed, it is scarcely credible that if she attempted to do so she could feed them. But suppose she calls up even half the number and hurls them against France and Russia, while France and Russia, also being in a position to raise four millions of men respectively, each follows the example of Germany and actually puts two millions in the field, the three countries alone will be employing six millions of men to kill one another. Let the reader try to realise for himself what the consequences must be if the struggle is protracted. We attempted to put the matter before him last week. But we are an unimaginative people, and we have not a taste for dwelling upon the disagreeable. Therefore we would ask serious-minded men, What would be the result if for any long space of time the three greatest States in Europe kept between them six millions of men trying to kill one another? It is not merely the loss of life, the suffering from wounds, and the injury to health that are sure to ensue from long campaigning. All this, translated into human suffering, is enough to shock every humane person. But, bad as it is, it is only a small part of what we are about to witness if the struggle is protracted. For the present a certain proportion of the men called up will be sent to the front, and the remainder will be employed in keeping open the communications and in all the other services subordinate to the maintenance of a great army in the field. But when the fighting begins and numbers are killed and wounded, their places will have to be taken by others, and the real drain upon the population will then begin. It is not in the least surprising, then, that already the mere preparations for slaughtering have been so enormous that they have thrown all business men off their balance.

Let us try to picture to ourselves a little more clearly what it is that has caused the complete breakdown for the present of the banking systems, the Money markets, the stock exchanges, and even the railway and telegraphic services. Since the general introduction of the railway, the steamship, and the telegraph, the various populations of the world have been drawn so closely together that they have multi-

plied enormously the amount of business they had hitherto been doing one with another. Whereas it took months for London to communicate with India, and it took several weeks to communicate with New York, now a telegram can be sent in a few hours at the outside, perhaps in a few minutes; while a man may even leave London for New York, do business there, and get back in about a fortnight. The consequence is that the multiplication of business is so vast that nobody hitherto has been able to properly realise it. Books of statistics have been published, and statisticians have written learnedly upon the growth of trade, the growth of banking, and the growth of wealth. The public has been duly impressed, but it has not understood what it was told in the slightest. We are now, however, being taught in a very rude way the whole meaning of those incomprehensible figures. When the two great Central European empires made up their minds to attack France and Russia for certain purposes, their subjects were suddenly startled out of their equanimity, and began to realise that if they did not act promptly they might find it impossible to obtain the means of paying their debts, and, therefore, of continuing their businesses. In consequence, there was a vast rush to sell securities of all kinds, and as the countries either intending to be invaders or in danger themselves of being invaded were all anxious to sell, practically there was little or no business to be done upon the Continent. Therefore, everyone who wanted to realise, even at a severe loss, turned to London and New York. The selling was on such a scale that even London, free and great a market as it is, found it quite impossible to go on buying. The prices of securities fell alarmingly. The banks themselves became apprehensive that if the prices of securities went on falling in that way they would find the securities they had accepted in return for loans made would not restore them their capital even if they sold. Therefore, the banks found that they were in as much danger as the individuals to whom they had extended credit. Possibly, also, attempts were made to weaken us by drawing unduly upon our gold reserves. The process to those who understand business is simple enough and very intelligible. But to the ordinary man, who pays no heed to business, who, indeed, rather thinks it a prosy and somewhat distasteful thing, cannot make out why fighting between France and Germany, or between Germany and Russia, should alarm, let us say, New York, between which and the battlefields there extend three thousand miles of ocean. The real explanation is that everybody in the belligerent countries who wanted to sell tried to sell either in London or in New York, and that the avalanche of sales was too great for even those two greatest of commercial capitals.

If the war could be stopped, or if anything were to happen that would compel one side to sue for peace, then there would be a speedy recovery. Happily, man very soon forgets even his greatest trials. And if he does not exactly forget, he puts out of his mind for the time being even his greatest dangers. Therefore, if peace were to be restored by any means whatsoever, the recovery would be speedy. For, happily, no great damage has yet been done. Thoughtful persons have got a glimpse of the abyss over which we live. But the majority of mankind is not troubled, and the whole upset will soon be forgotten if the fighting ceases. But suppose the fighting does not cease, what will happen? Let us assume the most cheerful state of things we can. Let us suppose, then, that such measures are taken that the seas are kept fairly well guarded; that there will be, as there must be if the war continues, a certain number of captures of ships at sea, much-needed property will be destroyed, and, therefore, much loss will be suffered. Still, if the seas can be fairly well guarded, enough of ships will reach their destinations to prevent an absolute want of any

of the necessities of life. Let us suppose, further, that the various Governments take such measures as will prevent prices from becoming extravagantly high.

The Duty of the Public.

If the Governments take all precautions to maintain a reasonable amount of safety at sea, then they clearly are entitled to insist that traders shall not trade upon the extreme poverty of the very poor. Let us assume, therefore, that prices are not run up extravagantly. In other words, let us assume that enough of the necessities of life are forthcoming and that prices are not inordinate. Even then in what way can we ensure the employment of the working classes? On the Continent, say, in such countries as France, Germany, and Austria-Hungary, the numbers of men withdrawn from productive employment and engaged in either killing one another or providing for those who are killing one another will be so great that probably there will be no great scarcity of employment. The difficulty apparently is more likely to be to find persons to produce enough when the flower of the manhood of the several countries are engaged in the work of slaughtering. But here at home, how are our workshops and our factories to be kept going if half the world is engaged in killing the other half? Who is to buy? And what is to be the end of all the catastrophe? Elsewhere we make suggestions which, in our opinion, would enable this country to tide over all the difficulties without serious suffering. We hope the suggestions will be carefully studied. In the long run the sufferings will be great in the countries that are open to invasion, and even in the countries that invade, for the loss of life will be so excessive, and the loss will fall upon the young, the active, and the enterprising. Moreover, it is to be recollected that captains of industry will be called upon, just as their workpeople; that every class will suffer and every class will have to fight. Therefore, the countries that are open to invasion, and which, in turn, may themselves be invaded, will suffer most of all. The ordinary public should bear in mind that Ministers, after all, are only men like themselves; that there is a limit to what they can do or even to what they can understand; and that, consequently, it is the duty of every man of us, no matter whether old or young, rich or poor, to do nothing that will in any way tend to cause prices to rise or to make the necessities of life scarce. Waste at the present time, over-luxury and extravagance, is little short of criminal. For if by any misfortune the supplies should not be kept up regularly and sufficiently, any of these vices may lead to serious hardships, and even to political trouble.

"American Public Opinion." By J. D. Whelpley. Price 7s. 6d. This work consists of a series of fourteen essays written in an endeavour to interpret American opinion on certain large and more or less international questions. Seven of the essays have already appeared in the *Fortnightly Review* and five in the *Century Magazine* of New York. Mr. Whelpley adds one on the Monroe Doctrine, and a further essay on American Foreign Relations. (London: Chapman and Hall.)

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American Topics.

HOW AMERICA CAN SERVE MANKIND.

THE United States, we assume, will remain neutral in the terrible conflict which has been, without provocation, forced by the two Central European Empires upon the rest of the Continent. Nevertheless, there is a way in which the American people may without injury to themselves—on the contrary, we hope with great benefit to themselves—serve mankind at large. It needs little demonstration to show that the dread struggle which has begun must greatly disturb trade all the world over; and must, therefore, inflict much

What Service
America
Can Render.

hardship and loss upon vast multitudes of people. Everybody knows that credit is the breath of modern trade; and that without credit trade must languish; industry must be crippled; and the working classes must be plunged in misery. Therefore, all right-minded people must desire to prevent a calamity which must ensue unless the proper measures are adopted. Heretofore the newer countries of the world were able to obtain financial accommodation in London, Paris, Amsterdam, Berlin, and so on. While the war continues military and naval operations will absorb all the spare capital that Europe possesses; and, therefore, there must be a very serious limitation of financial supplies if some new centre does not take the place which the leading cities of Europe have for the time being to evacuate. It will clearly be to the advantage of New York to step into the breach, and to lend freely. Not only will the bankers and financial magnates of all kinds throughout the United States

see how profitable it will be for themselves to finance the trade operations of their own country, but doubtless they will speedily recognise also that, as the leading European countries are incapacitated from financing the trade of the Central and Southern American countries, there is a splendid opportunity for the great capitalists of the United States to take up the work. The United States will benefit immensely by doing so, for the business thus newly taken up will, in large part at all events, remain with it.

On the other hand, Europe will benefit almost as much. For Europe is dependent upon other continents for large portions of its food and its raw materials. Consequently, any action that will enable the newer countries like Canada, Argentina, Brazil, and so on to continue supplying Europe with what Europe will so urgently need will benefit the old world immensely. And the farther afield the American people extend the assistance suggested, the greater will be the benefit. We are not of those who imagine that our own country must suffer if another country obtains a trade which it formerly largely monopolised. On the contrary, we believe that all mankind is benefited by whatsoever helps to increase the wealth of any great commercial country. There may be something in the old doctrine where the nation which grows rich

is an aggressive nation and lays out an undue proportion of its increased wealth upon preparing for aggressive war. But in the case of a country like the United

States, so far from wishing to see any of her activity diminished, we of this Journal earnestly desire to see those activities immensely extended. We shall, therefore, not in the least grudge the United States all the benefits it reaps if it bestirs itself to supply the sorely needed capital to the new countries, or even to the old countries of the East while we ourselves are unable to fulfil the work we have carried on so long. If when the war is over we are unable to recover all the ground lost, it will be the fault of those who have forced an unprovoked war upon us. We shall certainly bear no grudge against the United States because of its success. On the contrary, we shall feel that we have been immensely benefited, since in helping the new countries to supply us with food and raw materials during the period of stress she has saved our working classes from grievous trials. There is one other service which the United States can render, and which we venture to suggest, though, in doing so, we may lay ourselves open to the suspicion that we are aiming a shaft at our enemies. In reality that is not the object of our further suggestion. On the contrary, we hope that our enemies, when peace is restored, will not have suffered so severely as to be unable to carry on a profitable trade with us. What we would suggest very respectfully to our American readers is that they would do a service to themselves and to mankind in general, even including all the belligerents, if they would extend their neutrality so far as to refuse to lend to any of those engaged in the war while it lasts. The sooner it is brought to an end the better it will be for all the parties engaged. Therefore, those who refuse supplies that may be used for war-like purposes will really be rendering a service even to those to whom they deny assistance.

THE RAILWAY RATE DECISION.

THE decision of the Interstate Commerce Commission regarding the 5 per cent. increase in freight rates which has been long anticipated has at length been announced, having been rendered on Saturday last. Although the railway companies under the decision will not receive all they asked for, yet on the whole the ruling of the Commission appears to be of a favourable character, and in the ordinary course of events would have had a steadying effect upon American markets where undue weakness has been prevalent for so considerable a time. Undoubtedly when the New York and other stock markets of the United

States reopen the effect of the decision will not be lost.

It will be remembered that in November last the Eastern railroads of the United States applied to the Interstate Commerce Commission for power to increase their freight rates by 5 per cent. all round. To this request the Commission has in part agreed, and upon the point of inadequacy of revenues the contention of the railroads has been upheld. In the opinion of the Commission the operating income of what is known as the Official Classification Territory is less than demanded in the welfare of both the public and the railroads. This Official Classification Territory is divided into three separate sections—namely, the New England Territory, the Trunk Line Territory, and the Central Freight Association Territory. So far as the latter is concerned the Commission find that in this section, which lies between Buffalo and Pittsburg and the Mississippi River, and contains about 19,000,000 of inhabitants and nearly 38,000 miles of railroad, the carriers are entitled to an increase not in excess of 5 per cent. on all class and commodity rates on shipments wholly within the Territory, with certain exceptions. These exceptions, and it must be confessed that some of them are of importance, consist of coal, coke, brick, tile, clay, starch, iron ore, cement, and various other rates specifically provided for by the rules of the Interstate Commerce Commission. With regard to the Trunk Line Territory, which extends west from the Hudson River and the Atlantic seaboard north of the Potomac to a line drawn from Buffalo through Pittsburg to the Ohio River, and contains 21,000,000 people and nearly 24,000 miles of railroad, the Commission consider the financial condition of the carriers in this section to be such as not to warrant a general increase. Further, in the view of the Commission the lines in the New England Territory—that is, that portion lying between the Buffalo-Pittsburg line and the Mississippi River, and containing 19,000,000 people and nearly 38,000 miles of railroad—are being cared for locally. Hence the proposed increases in these two latter Territories have been disallowed. The Commission has, however, suggested various methods by which it considers the revenues of the lines in these Territories might be augmented, and it is to be hoped that the railway companies will find the suggestions made to be feasible. The proposed increase in rail-and-lake rates and in rates between points in the Central Freight Association Territory and other points in the Official Classification Territory have likewise been disallowed.

Although, as we say, the additions to rates granted by the Commission are not as large as those asked for by the railroads, they will nevertheless add considerably to the revenue of the companies. According to an estimate that has been made the net addition to the freight rates is approximately $1\frac{1}{2}$ per cent. Inasmuch as the freight revenues of the carriers operating in the Official Classification Territory for the year to June 1913 were about \$1,000,000,000, this would mean an additional \$15,000,000 of revenue.

By their decision the Interstate Commerce Commission has given the investor in American railways the assurance that it considers the railroads are entitled to additional compensation for all the extra burdens that have been placed upon them in recent years by increases in rates of wages, higher rates of interest on new capital issued, higher prices of materials, and by State and Federal legislation, which, though adding considerably to expenditure both capital and operating, does not augment revenue. Without a doubt confidence in American railway securities will now be restored, and once more those undertakings in good credit will be enabled to raise all the capital they will require to provide the many additional facilities that are so essential to enable them to cope with the heavy additional traffic that must accrue in the future.

GRAND TRUNK RAILWAY.

For the first time the Grand Trunk Railway has issued a revenue statement for the month of June. It is thus possible to obtain a good idea of the results for the June half of 1914, which show the gross earnings to have declined £425,000, against which there has been a decline in expenses of £417,000, so that the net revenue is but £8,000 lower. These figures apply only to the Grand Trunk proper. The net revenue of the Canada Atlantic and of the Detroit, Grand Haven and Milwaukee lines is about £15,000 lower, while some addition has to be allowed for in interest charges. For the June half of 1913 the surplus available for dividends on the Guaranteed and Preference stocks amounted to £399,000, out of which the full half-year's dividends on the Guaranteed and the First and Second Preference stocks were forthcoming. As regards the past half-year, it would appear that the surplus would be somewhat reduced, and that the Second Preference will receive a reduced rate of dividend. We learn that no decision has yet been arrived at as to the probable date of the dividend announcement now due. Presumably the matter is being temporarily deferred in view of existing circumstances.

PARAGUAY CENTRAL RAILWAY.

To temporarily provide for pressing financial requirements the Paraguay Central Railway Company propose to renew existing notes (Series B) for £500,000 for a period of three years at 7 per cent. interest, and to create and issue additional notes (Series A) for £100,000, carrying interest at the rate of 7 per cent. per annum; and to issue further notes for £350,000 (Series C) carrying interest at the rate of 6 per cent. per annum, ranking immediately after the above-mentioned notes (Series A and B) for £600,000. Most of the details of the scheme have already been given in our columns, and full particulars are now embodied in circulars issued to the holders of three-year notes and the holders of the Five per Cent. Debenture stock. In these circulars the directors point out that the proceeds of the additional £100,000 of notes (Series A), together with an amount to be provided on security of a further note issue (Series C) ranking next after the £600,000 notes (Series A and B) above mentioned, will furnish the sum necessary for completion of all works now in hand and leave a surplus for general purposes. The meeting called for Friday of last week was postponed for a fortnight owing to the crisis. In explanation of the present position of the Company, however, the directors state that the linking of the Paraguay Central Railway with the Argentine lines and the consequent opening of the through route to Buenos Ayres were effected during the past winter. This unfortunately coincided with the commencement of the present trade depression and financial crisis in the Argentine, which country is the chief purchaser of Paraguayan produce. Notwithstanding the curtailment of Argentine trade with Paraguay, the new international traffic, more especially in cattle and fruit for the Buenos Ayres market, showed promise of rapid increase, until the floods in the Argentine interfered with the operation of the railways in that country forming part of the international route. This interference has stopped the transport of fruit and cattle, but the suspension of this traffic is only temporary, as normal conditions on the Argentine lines should shortly be restored. In spite of the present depression of trade in Paraguay reflected from the Argentine, a large and growing international traffic over the Company's lines is assured both in fruit and in cattle. There is a great demand in the Argentine for Paraguayan fruit and tobacco, and, notwithstanding the low price of timber now ruling in the Argentine, an international traffic over the Company's lines in sawn timber and logs has already commenced. There can be no question that the future supply of

cattle, to meet the growing demands of the Argentine meat trade, must come in large measure from Paraguay, and the traffic from this source should grow to large dimensions so soon as the veterinary regulations have been finally established. In addition to the benefits to be derived from the through traffic there will be corresponding expansion in the local traffic as the lands alongside the recent extensions are developed.

The installations of the Asuncion Tramway, Light and Power Company, Limited, are practically completed, and the revenue from the first year's working is estimated to show a surplus over the Debenture interest, the benefits of which will also accrue to the railway Company, as the whole of the Tramway Company's outstanding Debenture stock will be lodged as security for the note issues of the Railway Company, which owns the whole of the issued Preference share capital (£100,000) and £240,000 out of £300,000 of the Ordinary share capital of the Tramway Company.

Having regard to the above consideration, the directors consider that if normal conditions of progress are maintained, the revenue of the Company should, during the currency of the short-term notes, enable a permanent financial scheme to be carried out providing for the redemption of the notes and for the future expansion of the railway.

In the last few years the Company has made substantial progress, and in the eight years 1905 to 1913 the gross earnings advanced from under £42,000 to over £146,500, and the net earnings from about £15,000 to something like £66,000. This rapid expansion made further progress in the year to June 30 last, full particulars for which are, however, not yet available. The report for the six months to December 31 last showed that the gross earnings, compared with the December half of 1912, increased £14,414, or 20.2 per cent.; and as this was attended by the relatively small addition of £1,830 to the working expenses, the gain in net earnings amounted to as much as £12,584, or 41.6 per cent. Unfortunately the results of the past half-year have been less favourable for the reasons above enumerated, and for the twelve months to June 30 the increase in traffic receipts amounted to only £9,470. Assuming that the loss of about £3,000 in gross receipts in the latter six months was accompanied by no increase or decrease in expenditure, the net earnings for the year would come out at about £74,000, or some £8,000 better than in 1912-13. It will be apparent, therefore, that the set-back has so far been relatively insignificant, and that the report shortly to be issued will make a satisfactory showing. The progress which the Company has made in recent years will be seen from the accompanying comparison of the main results of working since 1905:—

Year ended June 30	Miles Open	Gross Earnings £	Expenses £	Ratio %	Net Earnings £
1914*	234	156,000	82,000	52.56	74,000
1913	232	146,511	80,574	54.99	65,937
1912	232	111,933	67,474	60.25	44,509
1911	168	120,022	68,601	57.16	51,421
1910	156	97,126	48,789	50.23	48,337
1909	155	77,448	45,029	58.14	32,417
1908	155	86,208	50,827	58.73	35,381
1907	155	73,198	48,761	66.61	24,437
1906	155	55,208	32,639	59.17	22,569
1905	155	41,955	26,728	63.63	15,227

* Estimated.

If to the net earnings of £74,000 we add miscellaneous revenue, the total net income for the year will amount to about £78,000, a sum sufficient to provide 6 per cent. on the Prior Lien Debentures and 6 per cent. on the Three-year notes, with a surplus equal to a dividend of about $\frac{2}{3}$ per cent. on the Five per Cent. Debenture stock.

The approximate position of the Company as at

June 30 last will be seen from the statement appended:—

	1913-14*	1912-13	1911-12	1910-11	1909-10
Gross earnings	£ 156,000	£ 146,511	£ 111,933	£ 120,022	£ 97,126
Expenses	82,000	80,574	67,474	68,601	48,789
Ratio	(52.56)	(54.99)	(60.25)	(57.16)	(50.23)
Net earnings	74,000	65,937	44,509	51,421	48,337
Miscellaneous income ...	4,000	3,955	2,502	1,691	4,315
Total income	78,000	69,892	47,011	53,112	52,652
6 % Prior Lien Debs. ...	36,000	36,000	35,827	31,958	25,886
Surplus	42,000	33,892	11,184	21,154	26,766
6 % 3-yr. notes	30,000	—	—	—	—
Miscellaneous charges ...	4,000	6,139	4,306	800	11,488
Balance	8,000	17,450	6,878	20,354	15,278
Renewal account	?	5,000	—	—	—
Balance	8,000	12,450	6,878	20,354	15,278

* Estimated.

The price of the Five per Cent. Debenture stock is about 35 $\frac{1}{2}$. The Six per Cent. Prior Lien Debentures are at 96, and the Ordinary £10 shares are quoted at 4 $\frac{3}{4}$.

The existing capital of the Company is as follows:—

Security	Amount £	Interest %	Price	Yield £ s. d.
6 % Prior Lien Debenture stock	600,000	6	96	6 5 0
6 % Three-Year notes	500,000	6	—	—
5 % Debenture stock	1,300,000	—	35 $\frac{1}{2}$	—
Ordinary shares (£10)	562,930	—	4 $\frac{3}{4}$	—
Total capital	2,962,930			

ARMAMENT COMPANIES.

WHILE the full effects of the present European war upon industry cannot possibly be fully foreseen, it will be obvious that, assuming the various nations return to more or less normal conditions when the war fever has spent itself and peace returns, there are certain industries that will experience a considerable access of trade as a result of the war. It cannot be gainsaid that a most appalling waste will be made, and steps must be taken to make good to some extent the losses that are experienced. Human nature being what it is, with the passions of nations exacerbated by the quarrels, one of the first measures likely to be taken, at any rate by the victors, is the repairing of the waste that will occur in the means of offence and defence. In other words, the ship-building and armament companies should experience a very considerable access of activity; the demands for warships and war materials of all sorts must be on a very large scale, and with the calm confidence now being exhibited by the whole of the Empire at the present time, believing that fighting in a righteous cause victory will finally ensue, there can be no doubt that the various British companies engaged in the manufacture of armaments of various kinds will be kept exceedingly busy for a long time. Naturally the whole of the combatants will be impoverished as a result of the war, and the period of recuperation must inevitably be long, but one of the first duties to be undertaken by all nations will be the restoration of the means of defence to as high a pitch of perfection as is possible. British armament companies are well situated to meet such a demand, and in view of the largeness of the demand, not only for our own country, but also in the way of supplying the needs of other countries, business is likely to be of a very active character. In the circumstances, therefore, the financial position of the various armament companies will be of especial interest at the present time. There are three chief groups of such companies in the country. To take them in alphabetical order, there is first of all Sir W. G. Armstrong, Whitworth and Co., whose works are in Newcastle and Manchester. The second group is that consisting of the closely-associated companies of John Brown and Co. on the one hand, and Cammell, Laird and Co. on the other. With John Brown and Co. are connected the

Clydebank Engineering and Shipbuilding Co., Ltd., of Glasgow, and the Belfast firm of Harland and Wolff, Ltd. Included in Cammell, Laird and Co. is the Fairfield Shipbuilding and Engineering Co., Ltd., of Glasgow. The connection between the two constituents of the groups is to be found in the fact that the ownership of the Coventry Ordnance Works is vested as to one-half in Cammell's and the other half in Brown's. The third important group is that of Vickers, Ltd., with which is closely associated the Glasgow firm of William Beardmore and Co.

ARMSTRONG, WHITWORTH AND COMPANY.

During 1913 this Company decided to capitalise a part of its reserve and distribute 802,500 Ordinary shares as a bonus to existing holders in the proportion of one new share for each four held. Further, in view of large capital expenditures incurred on the new works at Manchester and in Italy, and to provide for further expenditures, an additional £2,000,000 of Preference capital was created, of which £1,000,000 was issued in June, 1913. At the present time, therefore, the issued capital consists of the following:

Issued Capital—		£
4 % Mortgage Debenture stock	...	2,500,000
4 % Preference shares	...	1,000,000
5 % 2nd Preference shares	...	1,000,000
Ordinary shares	...	4,012,500

In addition, there is a general reserve fund of £1,100,000. At the end of 1913 the value of the work on hand was shown as £1,324,556, as compared with £765,020 at the end of 1912. In April, at the last meeting of the shareholders, the chairman stated that the Company had on hand 19 vessels, of which six were battleships, including four super-dreadnoughts and two of lesser displacement. The Company has, during the past year or two, been erecting a new shipyard and transferring the works from Elswick to the new site, and altogether very large sums have been spent in order to bring all departments up to modern requirements, and new branches of manufactures are added as they are called for, such as the construction of submarines and the development of an aviation department. Not only is the Company itself busy at home, but it is also interested in a subsidiary company formed in Italy for armament purposes. Works have also been established in Canada for the manufacture of high grade tool steel. The Company does not show the amount written off for depreciation purposes and, consequently, it is not possible to arrive at the full net profits made, but it is probable that both 1912 and 1913 were boom years with the total profit, including income from dividends, in excess of £1,000,000 for the year. We set out herewith a comparison of the manner of dividing the profits for each of the past four years, premising that it is only for 1910 that the amount of depreciation is known, while for each of the other three years we have allowed for an approximate provision for the purpose.

	1913	1912	1911	1910
	£	£	£	£
Net trading profits	924,894	910,194	738,653	776,378
Income from dividends	...	...	...	...
Balance of interest account	181,780	138,353	81,085	33,972
				20,452
Total profit	1,106,674	1,048,547	819,738	830,800
Directors' fees, &c.	4,293	4,396	3,703	4,346
Int. and bonus on employees' deposits	19,399	18,444	15,498	15,127
Debenture interest	100,151	100,200	100,200	100,300
Preference dividend	66,560	40,000	40,000	40,000
Ordinary dividend	501,562	401,250	401,250	321,000
	(12½%)	(12½%)	(12½%)	(10%)
Sundry appropriations	426,842*	350,000	242,513	233,163
Balance	-12,133	134,277	16,574	116,864
Brought forward	335,849	201,572	184,999	68,134
Carried forward	323,716	335,849	201,572	184,998

* Includes £43,783, cost of issuing new Prefee. and Ord. shares.

The Company occupies a very strong position and is able to take practically any orders that are likely to come forward for fresh constructions. Consequently it should be kept busy for a long time ahead, and the shares are worth the attention of investors, as may be

seen from the following list of yields given on the various classes of capital, at recent prices, on the basis of last year's distributions:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	£	£ s. d.
2,500,000	4 % Mort. Debs. ...	100	97	4	4 2 3
1,000,000	4 % Com. Prefee. ...	5	4½	4	4 5 7
1,000,000	5 % 2nd Non-com. Pref. ...	1	1½	5	4 13 0
4,012,500	Ord. shares ...	1	2	12½	6 15 7

* Free of tax.

JOHN BROWN AND COMPANY.

It is, perhaps, scarcely necessary to point out that John Brown and Company, Limited, is one of the most important industrial concerns in the country, its chief business being that of steel and iron manufacturing and armour-plate working. In addition the Company is very largely interested in the coal industry, as it owns important collieries in South Yorkshire, which are capable of producing 1,250,000 tons of coal per annum, and it has also obtained control of the Dalton Collieries, in which extensions have taken place, and the Dalton Main Colliery is now capable of a larger output at a reasonable cost. Sinking operations have also been commenced at another colliery. Important as these two branches of the business are, it is probable that it is to a third section that the chief importance of the Company will be attributed, and which may contribute more largely to the Company's profits even than the coal and iron industries. Of recent years a policy has been carried out whereby the Company has already taken rank amongst the most important of our armament concerns, and it is now in such a position that it can build and thoroughly equip a war vessel from beginning to end. This policy has been carried out by acquiring an interest in various subsidiary concerns. The first step taken in this direction was in 1899, when the company effected an amalgamation with the Clydebank Engineering and Shipbuilding Company, Limited, of Glasgow, the Clydebank works being specially built and fitted to turn out battleships and other warships of the highest class; and it may be recalled that for many years the Clydebank concern has had the practical monopoly of building any new steamers required by the Cunard Steamship Company. It will be seen that by combining the business of the manufacture of armour-plates, &c., as carried on by John Brown and Company, with that of shipbuilding, as carried on by the Clydebank concern, the consolidation was an important one for the Sheffield Company. In 1902 the process was still further extended, and John Brown and Company acquired seven-eighths of the Ordinary shares of Thomas Firth and Sons, Limited, steel manufacturers, whose works adjoin those of John Brown and Company at Sheffield. The next step taken was in 1905, when, having decided to embark upon the manufacture of ordnance, negotiations were entered into for the acquisition of one-half the share capital in the Coventry Ordnance Works, the other half being owned by Cammell, Laird and Company, thus greatly extending the Company's sphere of influence. Probably, however, in its ultimate results, the most recent acquisition of the Company will be the most important in the Company's history. In 1907 it was announced that not only had a valuable field of ironstone with two blast-furnaces been acquired at Frodingham, but "with a view of strengthening the shipbuilding connection the Company have arranged for the acquisition of an interest in the firm of Harland and Wolff, Limited, of Belfast." By means of this step some very important concerns have been brought into close touch with one another, for the Belfast Company is very closely connected with the International Mercantile Marine Company, so that a certain amount of unity of interest has been effected either directly or indirectly between the Cunard Company, the International Mercantile Marine Company, John Brown and Company, Cammell, Laird and Company, and

Harland and Wolff, with the various subsidiaries attached to the different companies.

During the past 16 years the net trading profit has not fallen below £175,000, while on one occasion it amounted to £422,625; a figure which enabled a dividend of 20 per cent. per annum to be paid on the Ordinary share capital; for each year from 1909 to 1913 the rate was $7\frac{1}{2}$ per cent. per annum, while for the past twelve months the rate has been raised to 10 per cent.

We further set out the manner in which the profits for each of the past four years have been distributed:—

	Year ended March 31—1914	1913	1912	1911
	£	£	£	£
Trading profit	437,834	327,659	276,749	256,821
Less—				
Debiture and mortgage interest ...	60,336	55,757	49,640	44,298
Preference dividend, 5%	87,500	82,557	80,000	72,558
Ordinary dividend	182,300	136,725	136,725	136,725
	(10%)	(7½%)	(7½%)	(7½%)
To extensions account	103,000	50,000	—	—
Total deductions	430,136	325,039	266,365	253,581
Balance	7,698	2,620	10,384	3,240
Brought forward	89,721	87,101	76,717	73,477
Carried forward	97,419	89,721	87,101	76,717

As against the total share and loan capital in issue of over £5,000,000, the reserve fund is only £225,000. This is a very small sum, and it is desirable that it should be increased year by year by appropriations from profits. The amount of work in progress at March 31 last was £940,014, or slightly less than the corresponding figure twelve months ago, which was £1,040,357.

We show herewith the capital, prices, dividends, and yields afforded on the basis of last year's dividends:—

Amount £	Description	Par £	Price £	Dividend £	Yield £ s. d.
992,203	1st Mort. Debs.	100	—	—	—
499,893	2nd " " " " " " " "	100	—	—	—
1,750,000	5% Cum. Preference shares ...	10	10	5	5 0 6
870,000	Ordinary shares, £1 each, 15s. paid ...	1	$1\frac{1}{2}$	10	8 1 5
953,000	Ordinary shares, £1 each, fully paid ...	1	$1\frac{1}{2}$	10	7 13

CAMMELL, LAIRD AND COMPANY.

The report of this well-known shipbuilding Company for 1913 was the fiftieth annual one, and the jubilee was signalled by re-entering the ranks of dividend payers on its Ordinary share capital; this indicating that the concern has successfully emerged from the troubles that beset it in 1907 when, for a time, it was struck off the list for Admiralty contracts. With a re-organisation of the board the Company was restored to the Government lists, and while the position was distinctly serious matters were boldly faced, and steady improvement has occurred year by year. For 1913 a net profit of £257,151 was secured, as compared with £223,014 for 1912. As a contrast, it may be pointed out that there was a debit balance brought forward to 1909 of no less than £171,321, that debit balance has been completely wiped out; full payments have been made on the Preference share capital, and, as already indicated for 1913 a restart was made with payments of dividends on the Ordinary share capital, the distribution being at the rate of $2\frac{1}{2}$ per cent., though the balance available was sufficiently large to provide for a 7 per cent. distribution. During the troublous times not only has the attention of the board been devoted to bringing about a greater state of prosperity for the shareholders, but it has not hesitated to spend whatever sums are necessary to secure the most efficient and economical equipments. In this way a considerable amount of machinery has been scrapped and replaced during the past few years in order that the most up-to-date and economical methods may be adopted. At the meeting in April, the chairman indicated the probability of a larger dividend for 1914, and with the general outlook for armament companies it may be expected that the business and profits will continue to expand, and the Company should ere long return to the successful and prosperous times which it experienced before 1907.

Herewith we set out the yields afforded at recent prices on last year's distributions:—

Description	Amount £	Par £	Price £	Div. %	Yield £ s. d.
5% 1st Mort. Deb. stock	503,000	100	103	5	4 17 7
4½% Mortgage Debiture stock ...	400,000	100	93	4½	4 17 4
5% " " " " " " " "	800,500	100	97	5	5 4 9
5% Cumulative Preference	1,225,225	—	4½	5	5 16 3
Ordinary	1,147,670	5	4	2½	3 3 5

VICKERS, LIMITED.

Vickers, Limited, is quite one of the largest companies of its kind. It does a very large business, and has a considerable number of ramifications. It is only of late years that the growth has been of a fairly rapid character. To go back to 1867, when it was formed under the title of Vickers and Co., Limited, its capital was only £150,000 (as a contrast the *earnings* for 1913 have exceeded £1,000,000), and for 20 years after its formation its capital did not exceed £750,000. In 1897 the business of the Naval Construction and Armaments Company, Limited, was acquired, while the business of the Maxim-Nordenfolt Guns and Ammunition Company was taken over as from October 1, 1896. During 1901 the Electric and Ordnance Accessories Company, Limited, and the Wolseley Tool and Motor-Car Company, Limited, were formed as subsidiary companies, the Vickers Company holding the whole of the share capital. In 1902 a further extension of business took place, and the Company acquired one-half of the Ordinary share capital of William Beardmore and Co., Limited. On December 31, 1897, the total share and loan capital in issue was £2,750,000, and during the following five years the Company added nearly £5,000,000 to its capital account.

On December 31, 1913, the total share and loan capital in issue amounted to £8,480,200. It will thus be seen that during recent years a very considerable increase in capital account has taken place. This is due not only to an increase in business at home but also by reason of the great expansion that has occurred in the foreign overseas business. The Company has, for instance, taken a large capital interest in ordnance works in Japan and Italy, and it has also carried out the construction and equipment of a dockyard and a shipbuilding and repairing works at Montreal. It has, moreover, a capital interest in works in other foreign countries including Russia, Spain, and Brazil, and at December 31 last the interests in subsidiary and connected companies were valued at £4,025,473, out of total assets standing in the books at £12,331,260. Expansion of the business proceeded during 1913 even more rapidly than had been anticipated, various parts of the Company's plants have been enlarged, especially in Sheffield, to meet the increased weight and calibre of guns, and in Barrow-in-Furness for gun-mountings and to ensure greater rapidity in the construction of ships of war, mercantile ships and submarine boats. Large sums were expended later in developing the manufacture of airships, aeroplanes and submarine mines. Consequently, it has been necessary to further increase the Ordinary capital, an issue of 1,110,000 shares being made in March last. When these are fully paid up the total share and loan capital will be brought up to £9,590,200, and, with the premium on the new issue added to the reserve funds, the total reserves will closely approximate £1,500,000.

We show the manner of allocation of the profits for the past six years:—

	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£
Profit	1,024,206	989,302	763,789	637,397	419,195	552,220
Deb. interest, 4%	50,000	50,000	50,000	50,000	50,000	50,000
2nd Deb. int., 4½%	20,700	23,893	26,959	29,889	32,692	35,374
3rd Deb. int., 5%	41,510	43,370	45,145	46,840	48,460	50,000
Preference div., 5%	70,625	70,625	70,625	70,625	70,789	71,250
Ordinary dividend	555,000	370,000	370,000	370,000	370,000	370,000
	(12½%)	(10%)	(10%)	(10%)	(10%)	(10%)
Reserve, &c.	350,000	400,000	100,000	—	—	—
Balance	—13,629	31,408	101,060	70,043	—152,745	—24,404
Brought forward	236,439	205,031	103,970	33,927	186,672	211,076
Carried forward	222,810	236,439	205,030	103,970	33,927	186,672

Though the Ordinary capital has been so largely increased it is probable that the directors saw their way to maintaining the dividend of 12½ per cent. before deciding on the increase, and with the possibilities of further expansion and larger profits the shares are worth the attention of investors, particularly as they give the large return of over 7½ per cent. at recent prices on the basis of last year's distribution.

Amount £	Description	Par £	Price	Dividend %	Yield £ s. d.
1,250,000	4% 1st Mort. Deb. stock...	100	97½	4	4 3 1
460,000	4½ 2nd Mort. Debs. ...	100	104	4½	4 7 2
830,200	5% 3rd Mort. Debs. ...	100	104½	5	4 18 7
750,000	5% Non Cum. Preferred stock ...	100	105½	5	4 18 2
1750,000	5% Non-Cum. Preference shares	1	1½	5	4 15 0
4,400,000*	Ordinary shares ...	1	12½	12½†	7 15 2

* To be increased to £5,550,000.

† Free of tax.

BASS, RATCLIFF AND GRETTON, LIMITED.

IN spite of increased charges in the form of higher railway rates and of large increases in the rates of wages, a very substantial increase in profits has been secured by this well-known Burton brewery company for the twelve months to June 30, 1914. The gross profit on sales has risen from £707,087 to £749,607, while sundry income has risen from £125,649 to £143,153, so that the total profits are £892,760, as compared with £832,736, an increase of £60,000. And as this large increase in profits has been accompanied by an increase of less than £2,000 in the expenses, the sum available for distribution is £58,000 higher at £402,883. The result is that the Ordinary dividend is increased from 10 per cent. to 15 per cent., while a sum of £50,000 is carried to the reserve fund. Herewith we set out the manner of distributing the profits for the past six years:

	Year ended June 30.					
	1914	1913	1912	1911	1910	1909
Profit Balance ...	402,883	344,804	344,327	295,773	278,578	243,287
4½% Mort. Debenture Int.	61,200	61,200	61,200	61,200	61,200	61,200
3½% "B" Mort. Debenture Int. ...	19,600	19,600	19,600	19,600	19,600	19,600
Preference dividend, 5%	68,000	68,000	68,000	68,000	68,000	68,000
Ordinary dividend ...	204,000	136,000	108,800	103,800	85,200	95,200
	(15%)	(10%)	(8%)	(8%)	(7%)	(7%)
Total Int. and div. ...	352,800	284,800	257,600	257,600	244,000	244,000
Balance ...	50,083	60,004	88,727	38,173	34,578	-713
Brought forward ...	64,593	67,666	30,939	42,768	8,189	8,901
	114,676	127,670	117,666	80,939	42,766	8,188
To reserve ...	50,000	63,077	50,000	50,000	—	—
Carried forward ...	64,676	64,593	67,666	30,939	42,766	8,188

Up to 1906 practically no information was obtainable about the Company, as it was not considered necessary to publish accounts owing to the fact that the whole of the Ordinary shares were held privately, and the Company was but acting in accordance with the ordinary practice of brewery companies at the time. In 1906 for the first time the balance sheet was made public, and while it was a matter of general understanding that the Company had built up a strong and sound position it was seen, when the figures were made available, that the concern was even stronger than had been anticipated, and that it was enjoying a state of great prosperity while other companies were suffering from the effects of an unsound financial policy. Needless to say, the profits were affected to some extent by the trade depression that followed after the South African war; but by reason of the fact that the Company has always been conservatively managed, and as it did not succumb to the mania of buying tied houses regardless of cost, a policy which prevailed some years ago, the period of depression was not seriously felt.

The total share and loan capital in issue amounts to £4,640,000. Since 1906 the Company has written off for bad and doubtful debts and depreciation of investments a sum of £809,450; for depreciation of premises it has provided from profits a sum of £464,044. It has added to reserve a sum of £263,077,

but during the period two large sums have been debited against this account. From 1888 up to 1908 goodwill stood in the books at £1,360,000, but in consequence of legislation it was considered wise to reduce the goodwill amount to £800,000, thus writing off £560,000. To do this the reserve was reduced by a similar amount. Moreover, owing to extra taxation a heavy depreciation occurred in licensed properties, and as a result of a valuation of the properties owned it was decided in 1911 to write them down by a sum of £503,078, a sum which was likewise provided from reserve. The net result is that after deduction of these two amounts and the addition of the sums that have been set aside from profits, the reserve fund now amounts to £550,000.

There is no doubt that during and immediately after the South African war the Company fully shared in the general prosperity enjoyed by the industry, and there is every reason to believe that a similar expansion will take place at the present time. There is likely to be experienced a large demand for beer, and with the reputation that Bass and Company have secured for their product there will take place an increase in demand, and profits should be correspondingly affected. Of course, in so far as the general public is concerned, any increase in profits is more or less of academic interest, inasmuch as the Ordinary shares, which would naturally benefit by such increase, are all held privately, and from the point of view therefore of the investor any increase in profits merely means an increase in the margin behind the various prior securities. There are three classes held by the public: two issues of Debenture stock and the Preference stock. The Four-and-a-Half per Cent. First Mortgage Debenture stock is quoted at a little over par, and is thus a very well-secured 4½ per cent. industrial investment. The Three-and-a-Half per Cent. "B" Debenture stock may be obtained at about 76½, giving a yield closely approximating 4½ per cent. The Preference stock stands at 101½, and the yield afforded is nearly 5 per cent. The yields are relatively high for well-secured investments.

Amount £	Description	Par £	Price £	Div. %	Yield £ s. d.
1,360,000	4½% Mort. Deb. stock ...	100	100½	4½	4 9 10
560,000	3½% "B" Mort. Deb. stock ...	100	76½	3½	4 11 10
1,360,000	5% Cum. Pref. stock ...	100	101½	5	4 19 0
1,360,000	Ord. shares ...	1	—	15	—

FURNESS RAILWAY.

OWING to the serious depression in the iron and steel industries in the Furness and West Cumberland districts, and an unavoidable increase in expenditure, the directors of the Furness Railway are unable to declare a dividend upon the stock of that Company for the first half of 1914. A year ago the distribution was at the rate of 2 per cent. Probably no English railway company suffers more from fluctuations in its prosperity than does the Furness. That this is so is due, of course, to the fact that it is so closely allied to the iron and steel industry. For the June half of this year gross earnings declined £20,686. Expenses, on the other hand, increased £13,556, so that net revenue showed a falling off of £34,242. During the half-year an issue of Preference stock was made, but this may not have added to interest charges and Preference dividend requirements. At any rate, the net revenue amounted to £98,511, a sum not quite sufficient to cover interest charges and to meet Preference dividends. The small balance brought forward has, therefore, had to be drawn upon, and nothing has been carried forward to the current half-year. How the dividends of the Furness Railway have fluctuated in recent years will be evident from the following statement:—

	Furness.											
	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half ...	3	3	2	2½	1½	1	3	3½	3	1	2½	3½
June half ...	NH	2	NH	1	1½	NH	1	3	2½	1	1	2½
Year ...	1½	2½	1	1½	1½	1	1½	3½	2½	1	1½	2½

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HOME RAILWAY RESULTS. GREAT WESTERN RAILWAY.

THE dividend on Great Western stock for the past half-year has been declared at the rate of $4\frac{1}{2}$ per cent., the same as a year ago. In view of the condition of things existing at the time of the declaration of the dividend on Friday of last week and of the uncertainty regarding the outlook it would, indeed, not have been surprising had the directors decided somewhat to reduce the rate. Next to the London and North Western, the Great Western enjoyed greater prosperity in the first half of this year than any other English line, its gross receipts showing the satisfactory gain of £163,000. The addition to the operating expenses has, however, been heavy, having amounted to £131,000. The gain of £32,000 in net revenue has been almost neutralised by additional interest requirements calling for an extra £26,000. Hence the gain in net profit has been only £6,000. The following statement shows clearly the results of the half-year, and is compiled from the data accompanying the dividend announcement of this year and twelve months ago:—

Results of the Gt. Western Railway, First Halves 1913 and 1914

	Half-year to June 30—1914	1913	Inc. or Dec
	£	£	£
Gross revenue	7,823,000	7,660,000	+163,000
Operating expenses	5,241,000	5,110,000	+131,000
Net revenue	2,582,000	2,550,000	+32,000
Fixed charges and divs. on Preference stocks	1,747,000	1,721,000	+26,000
Net profit	835,000	829,000	+6,000
Div. on Ordinary	817,000	817,000	—
" % per annum	(4 $\frac{1}{2}$ %)	(4 $\frac{1}{2}$ %)	—
Balance	18,000	12,000	+6,000
Brought forward	129,000	133,000	-4,000
Carried forward	147,000	145,000	+2,000

For the twelve months to June last the dividend has been $6\frac{1}{2}$ per cent., a distribution at the rate of 8 per cent. having been made six months ago. For 1912-13 $6\frac{1}{2}$ per cent. was paid, while for 1911-12, a period in which the great coal strike occurred, the dividend was $5\frac{3}{8}$ per cent. At the close of the Stock Exchange last week Great Western stock was quoted 108 $\frac{1}{2}$. Half-yearly and annual distributions for the last twelve years have been as follows:—

Great Western.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half	8	7 $\frac{1}{2}$	7 $\frac{1}{2}$	7 $\frac{1}{2}$	7	7	7	7	7	7	7	7 $\frac{1}{2}$
June half	4 $\frac{1}{2}$	4 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4	3 $\frac{1}{2}$
Year ...	6 $\frac{1}{2}$	6 $\frac{1}{2}$	5 $\frac{3}{8}$	6	5 $\frac{1}{2}$	5 $\frac{1}{2}$	5 $\frac{1}{2}$	5 $\frac{3}{8}$	5 $\frac{3}{8}$	5 $\frac{1}{2}$	5 $\frac{1}{2}$	5 $\frac{1}{2}$

LONDON AND NORTH WESTERN RAILWAY.

The rate of dividend of the London and North Western Railway for the June half of 1914 has been reduced from 6 per cent. to 5 per cent. The adoption of such a course, in view of the uncertainties of the situation that existed on Friday of last week when the directors of the Company announced their decision, was the only one feasible in the circumstances. The current half-year is so clouded with doubt that the Company could not do otherwise than husband its resources to some extent. In view of the weekly traffic returns, even upon comparison of estimates with estimates, having indicated some falling off in gross revenue the official announcement that an additional £263,000 of gross revenue had been secured came as a pleasant surprise. This is the greatest gain in receipts shown by any home railway for the June half of 1914. Possibly with a view to lightening the burden of expenses in the current half-year expenses for the first half-year included various special appropriations which can be drawn upon this half-year. The increase in expenses for the June half was about £444,000. Hence net revenue declined £181,000, and after the payment of about £31,000 more on account of interest charges and Preference dividends, the decrease in net profit was £212,000, or about equal to the reduced amount needed for the lower rate of dividend. The following is a comparison of the results for the June halves of 1913 and 1914. A year ago the Company included in expenses interest requirements which this year are shown separately, and in order to make the comparison as accurate as possible we have assumed the interest charges for the June half of 1913 to be the same as for the June half of 1914—namely, £754,000.

Results of the L. & N.W. Railway First Halves, 1913 and 1914.

	Half year to June 30—1914	1913	Inc. or Dec
	£	£	£
Gross revenue	8,398,700	8,135,000	+263,000
Operating expenses	5,623,000	5,179,000	+444,000
Net revenue	2,775,000	2,956,000	-181,000
Fixed charges and divs. on Preference stocks	1,644,000	1,613,000	+31,000
Net profit	1,131,000	1,343,000	-21,000
Div. on Ordinary	1,072,000	1,287,000	-215,000
" % per annum	(5 %)	(6 %)	(1 %)
Balance	59,000	56,000	+3,000
Brought forward	102,000	101,000	+1,000
Carried forward	161,000	157,000	+4,000

Six months ago the distribution was at the rate of 8 per cent., so that for the past year North Western stock has received $6\frac{1}{2}$ per cent. To show how recent dividends compare we give the following statement of distributions for the last 12 years:—

London and North Western.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half ...	8	8	7 $\frac{1}{2}$	7 $\frac{1}{2}$	7	6 $\frac{1}{2}$	7 $\frac{1}{2}$	7 $\frac{1}{2}$	7 $\frac{1}{2}$	6 $\frac{1}{2}$	6 $\frac{1}{2}$	7 $\frac{1}{2}$
June half ...	5	6	5	6	5 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	5 $\frac{1}{2}$	5 $\frac{1}{2}$	5	5	5
Year ...	6 $\frac{1}{2}$	7	6 $\frac{1}{2}$	6 $\frac{1}{2}$	6 $\frac{1}{2}$	5 $\frac{1}{2}$	6	6 $\frac{1}{2}$	6 $\frac{1}{2}$	5 $\frac{1}{2}$	5 $\frac{1}{2}$	6

The latest quotation for North Western stock is 121.

Correspondence.

POSTAL ORDERS AS CASH.

To the Editor of THE STATIST.

SIR,—If postal orders are to be legal tender it would seem to be time to abolish the stipulation printed on the back of them as to charges for cashing them after three months from the date of issue. A bank-note retains its full value so long as it exists, and so do postage stamps; and so do coins, wear and tear excepted; and if postal orders are to take the place of any of them they should have similar enduring value.

ZETETES.

August 6, 1914.

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CHAS. WINDETT, Actuary and Secretary.

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Commercial.

GRAIN SUPPLIES AND THE WAR.—I.

DURING the past few days prices of all grain, as a result of the extension of the war, have advanced considerably, spot and near positions especially being in demand. Business in distant shipments has been practically at a complete standstill; but, now that the question of insurance against war risks has been settled, trade will no doubt be resumed. At Mark Lane wheat has risen on the week 8s. to 10s.; maize, 6s. to 8s.; barley, 4s. to 5s.; and oats, which have been bought in considerable quantities for account of the Government, 10s. to 12s. Prices at present are very irregular, and this state of things is likely to last for some time, but later on they will no doubt be less liable to violent fluctuations. Values will probably rule appreciably higher than we have been accustomed to for several years past; but there can be no question of scarcity so long as the Government assure the protection of steamers coming from

North America to the English coast. It is much to the advantage of the United Kingdom that the United States has such an immense wheat crop this year; it is estimated, after making due allowance for the damage caused to the spring wheat by drought and rust during the past month, that America will have a yield in excess even of last year's large crop by some 18 to 20 million quarters. That country has exported about 19 million quarters of wheat during the season just ended, and, allowing only 10 million quarters from Canada, North America could spare over 45 million quarters during the coming twelve months.

It will no doubt be found very interesting at the present juncture to give some information with regard to the production of the different articles of grain, both with reference to breadstuffs and feeding-stuffs, in the principal European countries, and also, as showing the extent to which they are dependent on other countries for supplies, the average import of foreign grain in the countries mentioned in the past few years:—

	WHEAT.		
	Average Production Qrs.	Average Import Qrs.	Average Export Qrs.
United Kingdom ...	7,300,000	27,300,000	—
France ...	38,100,000	5,800,000	—
Germany ...	19,600,000	8,400,000	—
Austria-Hungary ...	29,600,000	200,000	—
Italy ...	22,300,000	6,800,000	—
Russia ...	93,000,000	—	19,600,000

In Servia the production of most articles of grain is moderately in excess of the requirements.

Taking the countries in the order given in the above tabular statement, it will be seen that the *United Kingdom* grows a little over one-fifth of her total consumption. A large proportion of her imports come from the Colonies, whilst of the remainder the United States and the Argentine generally supply by far the greater part. Our imports from Russia and Roumania, countries now practically cut off as far as exports to the United Kingdom are concerned, are of minor importance. As stated previously in this article, North America, that is to say the United States and Canada, has an enormous quantity of wheat available for export this season, much larger than ever before. A very large amount of new American winter wheat has been sold for export to Europe during the past three months, and shipments have already commenced on an enormous scale, the figures for the past two weeks averaging over 1,000,000 quarters per week. It is generally estimated that between 10 and 12 million quarters have already been sold by America, so that, had it not been for the war, the exports were bound to have continued on a very large scale. It is now, however, a question of security for the ship and cargo during the voyage from America to Europe, and once that is settled shipments will no doubt continue large for many weeks to come in fulfilment of old contracts, apart from any fresh business effected from time to time. Of the shipments from America during the past fortnight the larger proportion was destined to Continental ports, all countries, tempted by the low level of prices at which much of the American wheat was sold up to a few weeks ago, having bought freely. With some of the principal importing countries practically out of the market, owing to the difficulty of getting delivery, as a result of the war, it is most probable that a large proportion of the wheat sold to other European countries will have to be shipped to the United Kingdom, and it would not be at all surprising, therefore, if imports into the United Kingdom during the next few months were even in excess of our requirements. American farmers are still delivering their wheat at Western points in considerable quantities, and this wheat is being rapidly forwarded to the shipping ports. With every probability of prices being attractive to growers there is no reason why America should not continue to export very freely. Apart from any action taken by the British Government to pre-

vent prices being unduly raised, it would not be at all surprising if the American Government takes steps, if same should be necessary, to stop any attempt at cornering wheat on the other side. From all other countries the United Kingdom can only expect moderate to small quantities until the next Argentine and Australian crops are harvested. It is, however, possible that India, at the higher prices now ruling, will export more wheat than would otherwise have been the case.

It is indeed, under the circumstances, extremely fortunate for the United Kingdom that so much wheat is available from North America. Our own crop is made, as far as quantity is concerned, and the general opinion is that the yield will be rather over an average. With regard to the important question of quality and condition, everything depends on the weather this month. The crop in this country, after deducting what is necessary for sowing purposes, will provide sufficient wheat for 9 to 10 weeks' requirements. Adding the stocks in the ports, 1,800,000 qrs., stocks in millers' hands, and also in the hands of merchants and dealers all over the country, the total supplies available are equal to nearly four months' requirements. In addition to this four months' supply actually in the country, there are $2\frac{1}{2}$ million quarters afloat, or equal to another month's requirements.

France.—This year's crop promises to give a yield of about 37 million quarters, which would necessitate an import of about 7 million quarters to leave stocks the same on July 31 next as on August 1 this year. Of course a large grower of wheat like France always holds a fair quantity of native wheat, and in all probability that country could, if it were absolutely necessary, make quite a small import do for one season. Moreover, the stocks of foreign wheat in France at the present moment, including what is in millers' hands as well as at the ports, must be considerably over a million quarters. Under any circumstances, France would not be compelled to import foreign wheat until towards the end of the season—say in May or June next. In this connection, however, it is much more important for France than for England that the native wheat should be harvested in condition for immediate use, as it forms such a large proportion of the requirements. The import duties on grain have been taken off by the French Government, and, provided the Channel be protected, some foreign wheat and other grain will no doubt reach French ports.

Germany.—This year's crop is estimated at about $20\frac{1}{2}$ million quarters, so that an import of 8 to $8\frac{1}{2}$ million quarters would be ample for all requirements, especially as the rye crop is about an average one. Germany exported, net, nearly 3 million quarters of rye during the twelve months ended July 31. Of course, under present conditions no breadstuffs would be allowed to leave the Empire, and this would reduce the quantity of wheat required. Germany has bought considerable quantities of American wheat, but it will be impossible to deliver this wheat. From Russia also nothing will be available while the war lasts. The home supplies will, however, furnish sufficient breadstuffs for between nine and ten months.

Austria-Hungary.—The average net import of wheat in the past five years is only 200,000 qrs., practically the whole quantity being received in the season just ended. This year's crop is a very small one, viz., about 25 million quarters, and as stocks of old wheat are small an import of nearly 5 million quarters is necessary. The Dual Empire has also bought American wheat, but will now have to make the inferior Roumanian wheat do. There will probably be no difficulty in procuring sufficient breadstuffs during the next twelve months.

Italy.—This year's crop is below the average of 22,300,000 qrs., being officially estimated at 21,600,000 qrs. The average yearly import is 6,800,000 qrs., but stocks of old wheat left over from

last year's very big crop are much larger than usual, and, if necessary, Italy no doubt could manage to get through the twelve months with an import of 5 to 6 million quarters. Italy usually imports a large quantity of Russian wheat, and also of Roumanian wheat, when the latter is of good quality. Fair quantities of American wheat have already been bought, and, provided navigation be kept open, there should be no difficulty in supplying Italy with all the wheat required.

Russia.—The average yield of wheat in Russia during the past five years is 93 million quarters, and the average yearly export 19,600,000 qrs. This year's crop is probably not over 95 million quarters, and may possibly be somewhat less, but stocks of old wheat are believed to be liberal, and Russia can satisfy her home requirements easily and still export a fairly large quantity. The crop of rye is about 4 million quarters smaller than last year, but there are fair stocks of old rye in the country, and there will be no necessity to import.

It will be seen that, according to the above remarks, the countries engaged in war have sufficient supplies of wheat to last for a considerable time, and it is to be most devoutly hoped that the war will have finished long before there is any risk of starvation.

MAIZE, BARLEY AND OATS.

With regard to the supplies of feeding-stuffs, no really definite estimates are yet available as to the yields of this year's crops, but the following figures will probably prove to be approximately correct:—

	Maize Qrs.	Barley Qrs.	Oats Qrs.
United States	312,000,000	26,000,000	110,000,000
Canada	2,000,000	—	40,000,000
Russia	8,000,000	57,000,000	88,000,000
Roumania	14,000,000	3,000,000	3,500,000
Germany	—	20,000,000	65,000,000
Austria-Hungary	28,000,000	18,000,000	16,000,000
France	—	6,000,000	37,000,000
Italy	11,000,000	1,100,000	3,300,000
United Kingdom	—	8,000,000	21,000,000

Germany is practically self-supporting as far as the consumption of oats is concerned, but with regard to barley it is quite a different matter. The number of pigs has increased considerably of late years, and as a consequence Germany finds it necessary to import nearly 20 million quarters of grinding barley. Most of this barley is imported from Russia, and, of course, will not be available while the war lasts. It will be very difficult for Germany to make up for the loss of the Russian barley, as comparatively small quantities only are available from other countries. Part of the deficiency will probably be made up by importing Roumanian maize overland.

France.—The imports of maize, oats and barley into this country are usually moderate to small, maize last season amounting to about 2,500,000 qrs., oats to 4,000,000 qrs., and barley to 850,000 qrs., and the question of any deficiency in supplies of feeding-stuffs is not likely to trouble France for a good many months.

Austria-Hungary.—The maize crop promises a good yield this year, and the import requirements of feeding-stuffs will be small.

United Kingdom.—Barley and oats both promise to be average crops this year. The yearly imports in recent years have averaged a little over 9 million quarters of maize, 6 million quarters of barley, and 6,500,000 quarters of oats. There is still a considerable quantity of maize left in Argentina from the last crop, and the weather lately has been favourable for conditioning the corn, but owing to the previous long spell of rainy weather a few weeks will probably elapse before shipments are resumed in large quantities. After allowing for a portion of the remaining surplus to be taken by the United States, there will still be a large quantity left to come to the United Kingdom, and there will probably be no shortage in our imports of maize. With regard to barley and oats, it is pretty certain, in view of the high prices likely to prevail,

that the United States and Canada will make up to a great extent for the shortage in shipments from the Argentine and Russia as far as oats are concerned; whilst from Russia, unless exports are prohibited, more barley than usual may come to the United Kingdom, owing to the impossibility of shipping to Germany.

Present indications are that the *United States* will have a maize crop about equal to the 10-year average, and as the number of pigs and cattle is considerably smaller than four or five years ago, the home consumption of maize has also decreased. This will result in the United States, if prices rule at all high towards the end of the year, exporting a moderate quantity of maize to the United Kingdom.

This year's oat crop in *Russia* is a very small one, viz., about 20 million quarters less than last year, and, unless stocks of old oats are considerable, the quantity available would be below the requirements. It is quite possible, however, that stocks are fairly large, and, moreover, a portion of the barley usually exported to Germany could be used in the place of oats.

The following tabular statement shows the principal sources from whence we derived our supplies in 1913 and 1912:—

Imports of Grain and Flour into the United Kingdom.

WHEAT.

Countries	Twelve Months ended Dec. 31, 1913	Twelve Months ended Dec. 31, 1912
	Owt.	Owt.
Russia	5,011,100	9,005,000
Germany	447,600	316,100
Roumania	38,600	697,000
United States	34,067,934	19,973,990
Chili	765,100	655,800
Argentine Republic	14,796,100	18,783,700
British India	18,768,100	25,379,400
South Australia	3,032,405	5,632,300
Western Australia	1,185,100	242,100
Victoria	2,206,445	3,192,980
New South Wales	3,702,709	2,814,100
New Zealand	56,200	274,900
Canada	21,787,900	21,551,100
Total	105,917,993	109,572,370

FLOUR.

Germany	455,800	370,560
France	301,700	370,700
Austria-Hungary	99,696	116,190
Italy	102,500	151,200
United States	6,157,641	4,212,588
South Australia	30,900	168,700
Victoria	191,975	386,750
Canada	4,168,559	4,003,790
Argentine	191,300	100,000
Roumania	48,600	63,000
Total	11,977,151	10,189,368

MAIZE.

Russia	1,584,100	2,621,190
Bulgaria	—	1,052,500
Roumania	1,002,300	4,230,800
Argentine Republic	38,854,073	28,795,830
United States	6,881,300	4,368,000
Canada	211,500	57,700
British India	118,900	1,759,300
Total	49,156,953	43,877,334

BARLEY.

Russia	6,105,000	3,664,900
Denmark	520,100	422,355
Germany	356,900	848,160
Austria-Hungary	266,800	216,300
Roumania	1,388,800	1,591,500
Turkey in Asia	2,232,300	3,394,700
Tunisia	348,700	144,200
Algeria	123,900	522,400
Persia	25,700	382,800
United States	4,438,100	797,320
British India	3,619,400	6,497,400
Canada	2,561,900	499,200
Total	22,433,548	20,126,385

OATS.

Russia	2,784,800	3,305,200
Germany	3,422,000	2,009,500
Roumania	609,500	18,300
Chili	825,600	653,000
Argentine	6,411,700	7,657,500
United States	1,502,815	2,180,900
New Zealand	97,300	299,600
Canada	2,348,000	1,963,100
Total	18,231,163	18,300,700

LANCASHIRE COTTON INDUSTRY

TRADING in the Manchester market during the past week has been brought to a standstill. The Exchange opened as usual on Tuesday after the holidays, but during the afternoon the directors met and decided to close the building until Friday morning. The American and Liverpool raw-cotton markets have also been closed throughout the week. Such a state of affairs has never been experienced before in the lifetime of those engaged in the trade. No panic has shown itself, and in view of the serious consequences which must ensue traders have borne the trouble very well indeed. Of course, fresh business has been out of the question, but a good deal of time has had to be spent in fixing up matters with regard to the fulfilment of contracts on the books. Producers know very well it is useless to deliver goods which are not wanted and cannot be paid for, and in most instances arrangements have been made for deferred deliveries. Cloth as a rule is bought for particular months, but in the case of yarn for home consumption orders are generally given out for delivery as required. Of course, in such cases users have instructed spinners to stop sending any supplies until further notice. On Tuesday afternoon a special meeting of the Master Cotton Spinners' Federation was held, when it was decided to urge spinners engaged on American cotton to complete the organised short time, which has already been decided upon, as quickly as possible. It was also decided to ask the Egyptian yarn section to consider the question of short time on a definite scale. Quite apart from anything which may be done by organisations, individual firms are taking matters into their own hands and arranging to close down at an early date. So far as possible consideration is being given to the operatives, but it would be suicidal policy to continue producing yarn and cloth when deliveries cannot be made. It must be said that traders so far have dealt with the situation in a very sane manner, there being no signs of panic in any direction.

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MEETINGS.

THE UNION BANK OF MANCHESTER, LIMITED.

THE seventy-eighth annual meeting was held at the head office of the Bank, York Street, Manchester, on July 31, 1914, Mr. G. C. Haworth (Chairman of the Bank) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The gross profits, as you will see from the report, are £91,898. This is less than last half-year, the reduction being caused by the difference in the value of money for the respective periods, the average Bank rate for the past half-year having been about $1\frac{1}{2}$ per cent. less than for the half-year before. The very great difference in the value of money would have caused a larger difference in our profits had it not been for the steady increase of our business. Though last half-year's profits are less than the previous half-year in all other respects our figures for the half-year just ended are a record, having eclipsed all previous periods. Of course, when rates are more favourable we shall reap the benefit of this growth in business. Adding the amount brought forward we have a total of £104,011, from which has to be deducted our working expenses, amounting to £42,466. This latter item is about £2,000 more than last half-year, and the increase is accounted for to some extent by the working expenses of new branches, but mainly by increases in the salaries of our staff.

The Balance Sheet.

Turning to the balance sheet, I take first the item of current, deposit, and other accounts, £6,360,452. This shows the steady increase which has been characteristic of the Bank's business for some years. The total of this item has substantially increased since June 30, and is at this moment considerably in excess of any previous record at any time in the history of this Bank. Bills accepted by the Bank, £304,949. This is well in excess of June 1913. Open credits, &c., £134,010, consists of miscellaneous liabilities arising in the course of our business of a temporary character. Cash on hand, &c., amounts to £1,007,309. This is an unusually low figure for us. At present there is a considerable accumulation of stock in the various branches of the cotton trade, and, of necessity, the credits granted to our customers are being more fully used than is normally the case. In course of time these stocks will be gradually liquidated, and the cash in hand will largely increase. The next item, investments—£775,744—has increased during the twelve months as a result of purchases of first-class securities which have been made, and which show to us a handsome profit. You will doubtless remember that a year ago I informed you that we had increased our holding in British Government securities. Bills of exchange stand at £839,540, which is somewhat higher than usual, entirely as the result of increased business. The total assets of a liquid nature are £2,622,594. This is rather smaller than we usually have, but what I have already said with regard to the cash on hand fully explains this. Loans and advances to customers are unusually high. This arises in the first place from increase of business, and secondly from the reasons which I have given regarding cash on hand and the total liquid assets. The next two items do not call for remark, and with regard to the item bank premises, £299,618, you will observe this is very little different from last half-year, although we have spent a considerable sum on our premises during the six months.

Trade.

The volume of trade that we enjoyed in the December half of 1913 continued more or less through January and February of the present year, 1914. That was owing to the orders left on the books of the merchants at the close of 1913, orders which had to be executed. The Clearing House returns show distinctly that the falling off has been more especially during the last three months of this half-year. Although the reduction in the imports and exports is not equal to 1 per cent. for the June half-year—that is, this half-year—it confirms what many of us have experienced in our business as showing a reduction in the volume of trade. In our large customer, China, the trade has been hindered by the disturbed and internal troubles of the Government. Regarding India, we have again good reports of the monsoon. This important Dependency is our largest outlet for goods, thus we have the expectation of increased shipments of Manchester goods.

Canada has enjoyed a long line of success, establishing herself as being self-reliant, and not a tax upon her Mother Country. United States.—Good corn crops are recorded, and are said to be 25 per cent. larger than any former period. The cotton crop has many stages to pass through before any reliable information can be given as to its quantity and quality. Some, perhaps, expect a reference should be made to the staple industries in our midst. The excessive stocks of cloth and yarn have necessitated a curtailed production, thus short time. The scarcity of the raw material and the higher prices for good cotton have been the means of increasing the loss in a trade already handicapped. The woollen trade, which for many years has been continuously

good, is not doing much more than holding its own. Respecting the home trade, the effect of the depression in our home industries is now being felt, as shown by the curtailed spending power of the people. Agriculture.—The home crops and the agricultural interest of the country cannot be said to be quite equal to last year.

Mr. George Barbour seconded the resolution, which was passed with acclamation.

NIGER COMPANY, LIMITED.

THE meeting of the Niger Company, Limited, was held on July 31 at the offices, Surrey House, Victoria Embankment, E.C., the Right Hon. the Earl of Scarbrough (Chairman of the Company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The outstanding feature of the trading results indicates that, whereas the total tonnage of produce purchased shows a substantial advance compared with the previous year—or, indeed, any preceding year—the trading profits are somewhat less than last year. The causes for these results are not far to seek. The worst river in the history of the Company is one of the main reasons, but the large, and hitherto unremunerative, development expenditure in Northern Nigeria and the rapid increase in the use of cash for the purchase of produce were contributing factors which, taken together, account for the difference between the profits as anticipated until quite recently and the result achieved.

Railway Construction.

The third cause which has affected our profits is the rapid transition from a barter trade to a cash trade. In 1908 the percentage of cash which we paid for the whole produce bought was $3\frac{1}{2}$ per cent. Last year it was 36 per cent., and there is no doubt that in a very short time trade by barter will have practically ceased to exist, except in out-of-the-way places. While this change is in process much confusion and dislocation of trade ensue. Having dealt with the figures of the balance sheet, the Chairman continued: In 1912 we had a river below the average, and had great difficulties owing to the lateness of the rise, but they were nothing compared to what we had to contend against last year, when the river was considerably below the lowest in our experience, which goes back more than 36 years, the highest level attained being more than 8 feet below the previous year, which had itself a bad river. Our latest information encourages us to hope for better navigation this year. Last year we had to carry up river over 7,500 tons of railway material for the Government, which, in the circumstances, was a work of great difficulty and some loss. This year we have contracted, river permitting, to carry 33,000 tons, a great part of it up the Benue, for the new trunk line of railway. This line, which was sanctioned last year, from Port Harcourt to Kaduna, where it will join the Baro-Kano line, is already under construction at three points—namely, at its extremities, and at its centre, at a place called Abinsi, where the Benue will be bridged. When this line is completed there will be three main arteries from the interior to the sea; in the centre the river Niger, with the railways on either side, which in time will no doubt be fed by branch lines.

Mining Department.

In last year's report we stated that we considered it advisable to obtain a large share interest in De Bruyn, Limited. We own 105,000 Ordinary £1 shares in that Company, 80,000 of which were paid for in cash and 25,000 were allotted for cancelling a pre-existing contract with the vendors. The 105,000 shares in De Bruyn, Limited, which are the actual property of our Company are valued at £90,000. The accounts of De Bruyn, Limited, for 1913 show a loss, but we are in accord with the view taken by Sir Owen Philipps, the Chairman, that the various causes that have combined to bring about this position are largely exceptional. With reference to the Company's mining department, the past year has been disappointing in some respects. As regards the tin industry, no sales of mining rights over properties took place last year. We have acquired since our last annual meeting mining leases over four areas, on three of which we have been producing tin on a small scale, and from which we shipped 76 tons during the year. We also hold exclusive prospecting licences over 11 areas, aggregating about 70 square miles, which are in the course of being proved, and hold other similar licences on joint account with other companies. The whole are capitalised in the balance sheet at £50,770, which sum represents the greater part of the amount spent on acquiring and proving the properties. Having regard to the fact that no sales of mining rights were effected during the period, nor are likely to be effected until financial conditions are more favourable and the price of tin shows substantial recovery, we have thought it prudent to carry to the mining suspense account the whole of the mining profit of the year. The output of tin over the whole field shows a substantial increase over the previous year, and the Company's share in royalties has consequently risen by nearly

50 per cent. The extension of the branch railway to the centre of the fields, which was commenced a year ago, was last month opened for traffic as far as Jos, and will reach the terminus at Bukuru before the end of the year. This will bring rail communication to within a very short distance of the majority of the producing mines. I would remind you that it was only 11 years ago that we discovered the fields which are now being worked; that it was not till 1910 that we were able to dispose of any of our proved areas; that the railway was not brought within a workable distance of the fields until the summer of 1912, and that it will not reach the centre of the industry until the end of this year; that during the last four years we have distributed among shareholders, in special mining bonuses, the sum of £151,250, after writing off all development expenses to the end of 1910 and have established a substantial mining reserve amounting to-day to £57,900.

Mr. Clifford B. Edgar (Vice-Chairman) seconded the resolution, which was carried unanimously.

WATNEY, COMBE, REID AND COMPANY.

Dividend of 3½ Per Cent. on the Preferred Ordinary Stock.

THE ordinary general meeting of Watney, Combe, Reid & Company, Limited, was held yesterday at the Westminster Palace Hotel, S.W., Mr. H. Cosmo O. Bonsor (the Chairman) presiding.

The Secretary (Mr. R. L. Wigram) having read the notice convening the meeting and the auditors' report,

The Chairman said: In the first instance I will ask you whether it is your pleasure that we take the report and accounts as read. ("Agreed.") Gentlemen, we meet under very grave circumstances, and so far as I am concerned I do not propose to discuss the report and balance sheet presented to you, but if any shareholder wishes to ask any questions I am quite prepared to answer them. We are at war with Germany. So far as Great Britain is concerned we have not provoked that war. It is a righteous war and an honourable war—(hear, hear)—and it appears to me that our duty, as loyal subjects of his Majesty, is a very plain one. Whatever our politics may be, we must give our undivided support to the present Government to carry through the war with efficiency and, I hope, with success. (Applause.) Many of us have grave responsibilities thrust upon us, but all of us have certain responsibilities. We must do our best, so far as we are able, to instil calm and confidence among those who are dependent upon us and upon other citizens. A further duty which falls upon us as a Company and as individuals is that, to the utmost of our ability, we should do our best to relieve the distress which must fall upon a certain section of our population—those who will first have to bear the stress of this great calamity. Gentlemen, I beg to move: "That the report and balance sheet as printed be approved and adopted."

The Deputy-Chairman (Mr. Charles J. Phillips) seconded the motion, which was at once carried unanimously.

Dividends Declared.

The Chairman: I now move: "That a final dividend of 2½ per cent., making 3½ per cent. per annum, for the year ended June 30, 1914, be declared on the Preferred Ordinary stock."

This was seconded by the Deputy-Chairman and carried unanimously.

The Deputy-Chairman: Gentlemen, I have the pleasure to propose the re-election of our Chairman as a director of the Company. It is very greatly due to his sound guidance and finance that we have been able this time to present to you a more favourable report. He is so well known to all of you here that I think no further words from me are necessary.

Mr. Richard Combe seconded the motion, which was carried unanimously.

The Chairman: Gentlemen,—I am very much obliged to you for the honour you have done me. So far as I am able to give my services I shall be only too proud to do so for another year.

The Deputy-Chairman: Gentlemen,—I beg to move the re-election of Sir Richard Garton as a director of the Company. Sir Richard's knowledge and wide experience in brewing have been reflected in the excellence of our beers during the past year. He would have been with us to-day, but some few weeks ago he took a well-merited trip to South

Africa. I hope that no troubles on the sea will prevent him from returning to us early next month.

Mr. Combe seconded the motion, which was carried unanimously.

On the motion of Mr. G. Forbes, seconded by Mr. J. G. Gough, Messrs. Chatteris Nichols and Company were re-elected auditors for the ensuing year.

The Chairman: Gentlemen,—That is all our business. I hope that on the next occasion when we have the pleasure of meeting you we shall assemble under happier circumstances and be able to discuss the business for which we shall have been called together. (Applause.)

The proceedings then terminated.

WELDON'S, LIMITED.

THE annual meeting was held on July 31 at the Savoy Hotel, W.C., Mr. A. T. Hollingsworth (the Chairman) presiding.

The Chairman expressed the pleasure which it gave the board to present such an eminently satisfactory account of the year's transactions as that which they now submitted. When he had the pleasure last year of presiding at the annual meeting he stated that the balance sheet then before them was the best they had yet shown, and they had now to congratulate themselves on having again "gone one better." Since the formation of the Company, some sixteen years ago, the record of the Company had been one of unbroken prosperity and improvement, and their affairs during the year under review had been in a more flourishing and satisfactory condition than at any time in the past career of the Company. The policy of those responsible for the business had been uniform throughout the history not only of the Company, but of the publications themselves. That policy had been, and always would be while the present management had a voice in the matter, to give full, even overflowing, value for money, both as regarded editorial matter and advertisements. He had had the figures of four of their publications (*Weldon's Ladies' Journal*, *The Illustrated Dressmaker*, *the Bazaar of Children's Fashions*, and *the Journal of Costumes*) taken out for the period under review, and the average monthly increase was about 70,000 over the previous twelve months—a fact which advertisers must, and did, appreciate.

They had never been so full with orders for advertisements in any previous period of the history of the Company as they were now, and that, he thought, might fairly be taken as an indication that the advantages they offered were appreciated. Advertisers should also bear in mind—in fact, they evidently did realise—that Weldon's publications were not entirely ephemeral; that was to say, they were not merely read in the train or tram and then thrown aside. They found their way into the heart of the family circle, and as they were read almost entirely by women they reached the most potential purchasers of the commodities therein advertised. Weldon's publications reached every country of the world and all the big cities therein, and it was not too much to claim that they found their way into the remotest villages as well. Every department of the Company's business was in an equally flourishing condition. The pattern department had been going very strong, and the new premises in Southampton Street were now completed. They were linked up with the old buildings, and were proving a fruitful source of revenue. The directors were asking the shareholders to sanction a bonus of £1,250 for the staff this year, as against £1,000 on previous occasions. The staff had been considerably increased, and this bonus was thoroughly well deserved. (Hear, hear.) For the 16th year in succession the directors were able to propose a dividend on the Ordinary shares at the rate of

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10 per cent., and on this occasion they suggested that a bonus of 2 per cent. be added thereto. The share capital was free from prior charges; there were no Debentures, mortgages or loans, the Five per Cent. Cumulative Preference shares being the first charge on the profits, and the reserve, when the resolution which he was about to submit had been carried, would stand at £85,000, besides £15,000 extra capital invested in the highest class of securities outside their own business. He concluded by moving the adoption of the report and accounts, the declaration of the dividend and bonus as recommended, and the appropriation of £10,000 to reserve fund and £5,000 to a special business development fund, &c.

Mr. E. W. Weldon seconded the motion, which was carried unanimously.

ASSOCIATED GOLD MINES OF WESTERN AUSTRALIA.

Lower Grade Ore and Increased Costs—The Reserves.

THE twentieth ordinary general meeting of the Associated Gold Mines of Western Australia, Limited, was held yesterday at Salisbury House, London Wall, E.C., Captain H. B. Hooper (Chairman of the Company) presiding.

The Secretary (Mr. Robert Davidson, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I presume that you will take the report and accounts as read? (Hear, hear.) That being so, I will deal with a few of the important points which have occurred during the year. The meeting is held a little later this year than usual, but the alteration in date was made so that we might have the very latest information to give you with regard to the properties in Canada over which your Company has acquired options. To take, however, the Associated first, the leases of this property, which expired on December 31 last year, were renewed from that date on practically the same terms.

The Net Profits.

You will notice that the tonnage of ore crushed was higher, but the grade was lower—2s. per ton less—and this, with an increase in the working costs—which are given on page 21 of the report, and work out at slightly over 7½d. per ton—was the cause of a drop in the net profits to £23,800. The details on this head are so clearly given in the general manager's report that there is no occasion for me to take up your time over the figures. Out of the profits we propose to write off the development for the year, amounting to nearly £14,000, and with the balance to pay a dividend of 6d. per share. Our investments amounted to £100,000, and there were 33,000 odd tons of ore in the stopes, representing a cost of £6,600. I am glad to be able to tell you that with a view of assisting men employed on the mines in Western Australia, who are suffering from fibrosis and other industrial diseases due to their employment, this Company is instructing its manager to join with other companies in subscribing to a fund, which we believe is being formed jointly with the Government, not only to deal with immediate causes, but also to make provision for future needs. Your directors feel certain that their action in this respect will meet with the shareholders' approval.

Prospects.

With regard to the prospects, those which can be specialised are, briefly, payable ore in a prospecting shaft 40 ft. from the west boundary, any extension of which in a south-east direction would continue in our ground; good values in the N.E. crosscut at the third level; payable ore in the twelfth level on the Iron Duke Channel, which, it is hoped, will extend along the margin of this shoot. It may seem to you from what I have said that the future of the Associated is severely limited, and, before giving way to a pessimistic view, I would like to give you the concluding remarks of Mr. Malcolm MacLaren's report. This gentleman, whose name you will all know and respect as an exceptionally able geological expert on Australian mines, says: "No greater mistake could be made than to assume that only the ore now actually proved in the upper levels will be available. I am of opinion that, despite the position in the bottom of the mine and the impossibility of estimating the ore reserves, the Associated mine will, with careful exploration, yield its current returns for at least two years, and, with good fortune, for even a longer period." There is also always the chance, in such a large area as the Associated possesses, of fresh discoveries. The Company employed Mr. MacLaren to study the mine and make a report on it, and, on the advice received, the manager is shaping his policy.

Canadian Properties.

I now come to the properties in Canada over which your Company holds a controlling interest. The Keeley mine, to which I referred at our last meeting, and of which Mr. Hamilton gave you a very lucid account, was the subject of careful exploration last year up to the end of September, when winter put a stop to exploration work,

and further work has been done since April of this year. The option period expired on July 31. Your board, therefore, asked Mr. Hooper, on behalf of the Associated, to go to Canada with Mr. MacCarthy, who represented the Hurenian Belt Company, and make a joint report of the position and prospects of the mine. That was done in order that we might have the latest information to put before you, and the meeting was arranged to be held in the first week in August in place of the end of July. I am glad to be able to tell you that these two gentlemen are satisfied with the prospects of the mine. With regard to the second property—namely, the North Thompson—this has, in the opinion of those who have visited the property, a very fair chance of turning out a successful mine. This property has also been visited by Mr. Ed. Hooper, who has approved of the progress made. I now beg to move:—"That the report and accounts, now submitted, be and the same are hereby approved and adopted, and that the dividend therein recommended of 6d. per share, free of income-tax, be paid on August 6 to shareholders registered on 11 July, 1914."

Mr. Hermann Landau seconded the motion, which was carried.

THE GAS LIGHT AND COKE COMPANY

A HALF-YEARLY ordinary general meeting of the proprietors of this Company was held at the chief office, Horseferry Road, Westminster, S.W., on August 7, Sir Corbet Woodall, M.Inst.C.E., the Governor, presiding.

The Governor said: Ladies and gentlemen, we meet to-day under national conditions so grave, so unexampled, and amidst circumstances so unexpected as to warrant my claiming your sympathy when I confess to a great difficulty in concentrating my observations upon the mere details of the business which brings us together. Whilst there is so much of an extraordinary nature challenging our attention, not only as persons responsible for the financial issues of an enormous undertaking, but also as Englishmen and employers of many workers, the simple annals of the Company's proceedings during the half-year may well seem tame—even tiresome. Let me say at once with regard to those of our employes who have responded to the country's call to arms, the directors will, as on previous occasions, so far as lies in their power, give aid and comfort to them and to those dependent upon them. We have always encouraged the Territorial Force, and shall not fail in acting up, to the full, to our consequent obligations in this regard.

The Accounts.

Notwithstanding what I have said, it remains our duty to give undiminished attention to the affairs of the Company, and I will, before asking you to adopt the report, make a few observations on the accounts. As anticipated in the remarks I addressed to you six months ago, we have again to draw upon our undivided balance in order to pay the dividend we recommend. It is consolatory to know, however, that the supplemental amount required is less than we then estimated. The reduction in the carry-forward which we reported in February was £96,000, and I then said, "We can hardly hope to make a less heavy call upon our surplus funds at the end of the current half-year. . . . It will probably be greater." The actual figure is £79,000. This is satisfactory so far as it goes, but each such inroad brings us nearer to the limit beyond which the depletion of our reserves cannot be carried with safety. An examination of some details of the accounts will help us to a conclusion as to what our position is.

Capital Expenditure.

I make no apology for again referring to the state of the Company's capital account, or for putting it into the forefront. In the half-year under consideration we have spent on new plant and apparatus £57,265, and this has

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been charged, correctly, as an addition to capital. At the same time the whole plant is undergoing waste and depreciation, calling for renewals and reconstructions. For instance, since we last met one of the gasholders at Bow Common, built in the year 1850, has been adjudged unfit for further use, and has been scrapped, and will have to be replaced elsewhere. Its book-value was £9,500. At Stratford also a considerable plant for manufacture of sulphate of ammonia has been dismantled, the ammoniacal liquor being sent through a pipe-line to the chemical works at Beckton, where the manufacture can be carried on much more economically. In both these cases the book-value of the plant has been charged against revenue, otherwise the capital would bear the cost twice over. These are illustrations of what is constantly happening. It is not difficult to show large profits for a time by deferring indefinitely the liquidation of such obligations, but the result is an inflated capital, which eventually becomes ruinous. Following the path indicated, we have written off £81,420 in the past half-year, leaving the balance of working capital £24,000 greater than it was at Christmas. Four-and-a-half years ago, in December 1909, this balance amounted to £389,366. To-day it is £382,815—practically the same sum. Within the four-and-a-half years our output of gas has increased by 11 per cent.—about equal to the total consumption in the great city of Leeds. We have added 167,000 to the number of fires and stoves in use, and have fitted the premises of more than 100,000 consumers with prepayment meters and fittings, while the charge for capital has been actually reduced. Needless to say how much the financial strength of the Company is thus improved. I am able to confirm the reports of the engineers that the whole of the works and plant are maintained in a state of the highest efficiency. The charge for capital per 1,000 cubic feet in the accounts before you is the lowest in the history of the Company. The balance of unspent capital (£382,815) is not nearly sufficient for working purposes. We need a full million, and for this purpose the accumulation of undivided profit is peculiarly valuable. After the payment of the dividend now recommended there will remain £535,000 on this account. We have other considerable funds, the details of which you will see in the balance sheet, which are available for working capital. Part of these are the property of the officers and workmen, which we employ, paying interest therefor. Estimates made under the present circumstances of the country are of little, if any, value; otherwise I should have said that we can afford to reduce our liquid assets by a quarter of a million before contemplating an increase in the price of gas.

Working Results.

Turning to the revenue account, I can say that the working results have been good—generally speaking, better than ever before. The deficiency of profit has been due to circumstances which are abnormal, beyond the control of the management, and such as will inevitably abate or disappear in due time. During the whole of the half-year we have paid a very high price for coal, and, for the first time in my experience, dear coal has brought no compensation in the value of coke. On the contrary, the market price of that product has fallen seriously. For the year to June 30 last the gross cost of coal purchased was 4s. 4d. per ton in excess of the price paid in 1912. This represents more than £400,000. Improvements in receipts for residuals produced £40,000, so that the net loss on the comparison was about £360,000. I am glad to say that the coal purchases recently completed have been at more reasonable prices. They show an average reduction of a little over 2s. a ton. For the current half-year, because of the large stocks held on June 30, which have to be brought into account at last year's price, as also the balance of contracts which have yet to be received, the difference will not equal quite 11d. per ton. Only when the commercial prosperity of the country is declining has relief come to us in the price of coal. Dear coal has doubtless hastened the decline. Before the emergency which has so swiftly overtaken the country, there were some suggestions to the employers and on the part of workmen at the pits for united action to keep up prices, generally in the direction of limiting the output. One can but feel that anything of this kind has been put out of date by present circumstances. Besides, the influence of the bad trade conditions, to which the whole world is apparently condemned, must be fatal to any selfish policy conceived in the supposed interest of a few. In this connection I desire to cordially recognise the spirit of Sir A. Markham's declaration in the House of Commons on Monday last, that he had given instructions forbidding any raising of the price of coal by the important group of mines under his control. Patriotism is much on our lips just now. It is well to recognise that care for our country can be shown in more ways than the supreme one of fighting for her. This of Sir A. Markham's is an instance. Although the sale of gas has increased by nearly 2 per cent., the quantity of coal carbonised during the half-year was less by 100,000 tons. Of this decrease 11,285 tons resulted from a further increase in the make of gas per ton; the remainder to the replacing of coal by oil. The increase in cost represented £64,740, the decrease in quantity £77,915, so that our actual payment for coal was less by

£13,173. Against this, oil cost £43,147 more, of which increase in quantity represented £21,022, and higher price £22,125. Chiefly due to improved working, but also to the substitution of oil for coal, there was a saving of £14,356 in wages. The revenue from gas, with meter and other rents, shows an increase of £41,943. On the other hand, residuals have yielded less by £107,672, of which the lower price received accounts for £46,854, and less coal carbonised, and consequently less residuals made, £60,818. One interesting item in the accounts is that of bad debts. These are reduced by £1,436, and, like the cost of the dividend, form a record in the story of the Company.

Fall in the Price of Coke.

The great fall in the price of coke has been due to several causes: (1) to the quantities manufactured at the collieries in improved ovens; (2) the increased make, owing to the giving up of the manufacture of oil gas by reason of the late high prices of oil; and (3) to the reduced demand for cement-making. The market price has also been brought down by unwise competition for orders—competition which has added nothing to the quantity sold, while greatly reducing the revenue of the gas companies. This has now been realised, and measures have been taken to prevent the price from falling, as it has done lately, far below its fuel value. Efforts are also being made to bring more intimately to the knowledge of the public the value of coke for domestic use.

Profit and Dividend.

The profit of the half-year, after providing for redemption fund, is £319,477. Adding the sum brought forward from the previous half-year, there is a total available balance of £933,530. After paying the dividend at the rate of £4 17s. 4d. per cent. per annum, there will, as I have already said, remain £535,314 to the credit of the current half-year. It is a pleasure to report that co-partnership continues to prosper, helping in the formation and maintenance of cordial relations with and between all classes of the Company's employees. The amount now standing to the credit of co-partners is £217,718, of which £114,636 is invested in stock. The directors are sorry that the Government auditor's certificate to the accounts is accompanied by a reference to forfeitures amounting to £52. That every effort is made to maintain the illuminating efficiency of the Company's gas has been urged from this chair again and again, but occasionally the same gas which is certified by quite a number of testers as of statutory quality fails, for reasons beyond our ken, to pass the test of one solitary examiner, and a fine results. It is with much satisfaction we are able to report that the Company's Act of this session now only awaits the Royal Assent. With the disappearance, at the close of this year, of the inexact illuminating power test and the advent of the far more exact calorific test, it is hoped that forfeitures, never very frequent, may become almost unknown. I omitted to mention at the beginning of these remarks that as a result of the mobilisation of His Majesty's forces, upwards of 1,000 of the Company's employees on the reserve and territorial lists have been called upon to take their places among the defenders of their country. I am sure that our earnest good wishes go with them and will remain with them. I am equally sure that you will approve the steps which the directors have taken to secure wives and children against privation while the bread-winners are serving the colours. I have pleasure in moving:—"That this meeting do agree with and confirm the report of the directors and the auditors' report and statement of the accounts of the Company as transmitted to the proprietors on the 30th ultimo," but, before putting the resolution to the meeting, I shall be happy to hear any remarks which proprietors may wish to make, and to endeavour to answer any questions they may ask.

The Deputy-Governor (Mr. John Miles) seconded the motion, which, after a brief discussion, was carried unanimously.

The best for the short game.

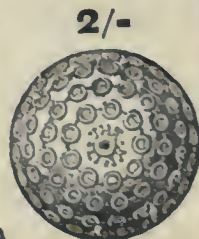
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The eighteenth annual general meeting of this Company was held on August 7 at De Keyser's Royal Hotel, E.C., Mr. George J. Maddick presiding.

The Chairman expressed regret that the result of the year's working was such a bad one. When he explained the cause he felt sure the shareholders would extend to the board some sympathy that their hard and anxious work for twelve solid months should have ended in such a poor result.

High Prices of Raw Material.

The prices of all raw materials had been at an exceptionally high figure. Coal had not dropped one penny a ton, although it was naturally thought that the sudden jump of 1913 could not be maintained; but it had been, and coal, of course, governed almost every article used in paper-making. Then they had had to face the failure of the firm who were under contract to supply the Company with over 11,000 tons of Esparto grass. This failure caused little short of a panic in the esparto trade. The price of grass jumped in one single day £1 per ton, and even now, after five or six months, there was a great shortage, and the price was some 10s. or 11s. per ton above this Company's contract price. They had had to buy at the increased price against the liquidators, but there was a very poor chance of getting any of that returned, and the additional cost must therefore be charged to manufacturing expenses. Then following a 10 months' trial of the eight-hour shift system, which proved a complete failure, they had a most disastrous strike at Rishton, and without allowing one penny for orders that they ought to have executed, the actual cash loss for rent, rates, standing charges, and spoilt material came to over £2,000. He was glad to say that their customers in most cases had stood by the Company in their trouble and had continued their orders, which showed the esteem in which the firm was held, for the inconvenience they suffered in many cases was far more than serious. At one mill, he was proud and glad to say, the men stood with the Company, so that they did not have to close for five minutes, and he thanked them—and was sure the shareholders would also—most heartily for their loyalty.

Prospects.

They had now settled down and were directing their efforts towards obtaining a better and more satisfactory meeting twelve months hence, and in this connection he wished to state that the Company's total wages bill would show a substantial reduction as compared with the eight-hour

system; and against the reduced number of working hours they had recently embraced some new methods with a view to reducing the cost of production. Further, they placed some months ago orders for additional machinery for their coating works, which would increase the output and, by diminishing the producing cost, would, he trusted, increase the Company's profits accordingly. He desired to tender his sincere thanks to the Managing Director, Mr. H. M. Peebles, and to the mill director, Mr. R. Gilroy, as well as to every member of the staff, for the hard work and energy they had displayed during the terrible times the Company had passed through. The Chairman next referred with great regret to the retirement, owing to the state of his health, of Mr. John H. F. Walter from the board, remarking that that gentleman was for 16 years chairman of the Company, and had throughout his connection with the directorate rendered loyal and talented services. The directors were in negotiation with another practical paper-maker to take the vacant seat, and that gentleman had already visited the Company's mills with this object in view. In conclusion, the Chairman said: "Of the future I can say nothing, for one does not know how far this terrible state of Europe will affect us; but I can assure you that we will do everything humanly possible for you, and, I may say, our own interests. As I was coming to this meeting a card was put into my hand asking me whether it would not be advisable to say a few words in my speech as to the state that the paper market is in at the present moment and to ask the public to forbear any criticism as to the small size of the papers—the less number of pages—as it is an open secret that almost every daily paper is short of supplies, and it is only by husbanding our resources most carefully that even single-sheet papers will be able to come out in, say, three or four months' time. We hope the public will help us who are newspaper proprietors as well as paper-makers by not being too severe when they get two or four pages instead of their accustomed 20 or 24. I beg now formally to move the adoption of the report and balance sheet."

Mr. John H. F. Walter, in seconding the motion, thanked the Chairman for his kind words with regard to his (the speaker's) retirement, remarking that this step was being taken, not only in his own interest, but in the best interests of the Company generally, because, in view of the state of his health, it was impossible for him to continue properly to discharge the duties which he had undertaken in the past. He regretted exceedingly his severance from the board, and if at any time he could help his colleagues in the way of advice he would be pleased to do so. He had recently visited the works, where he found everything going on admirably.

The motion was carried unanimously.

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NOTICE TO SHAREHOLDERS.

The Thirty-third Annual General Meeting of the Shareholders of this Company, for the election of Directors to take the places of the retiring Directors and for the transaction of business generally, will be held on Wednesday, the Seventh day of October next, at the principal office of the Company, at Montreal, at Twelve o'clock noon.

SPECIAL MEETING.

The Meeting will be made Special for the purpose of considering, and, if approved, of authorising an increase of the present authorised Ordinary Capital Stock of the Company by the amount of Seventy-five million dollars (\$75,000,000)—that is, from two hundred and sixty million dollars (\$260,000,000) to Three hundred and thirty-five million dollars (\$335,000,000)—in order to make it accord with the amount for which the Company has the sanction of Government; no portion of such additional Stock to be issued, however, until the authority of the Shareholders has been obtained at a Special General Meeting called for the purpose.

The Common Stock Transfer Books will be Closed in Montreal, New York, and London at Three P.M. on Friday, the Twenty-first day of August. The Preference Stock Books will be Closed in London at the same time.

All books will be Reopened on Thursday, the Fifteenth day of October.

By Order of the Board,
W. R. BAKER,
Secretary.

Montreal,
August 10th, 1914.

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The Board of Directors has declared a quarterly dividend of 1 per cent. upon the Adjustment Preferred Stock of the Company, payable at the Office of the Company, Commercial Trust Building, Philadelphia, Pa., on and after August 19, 1914, to the Adjustment Preferred Stockholders as registered at the close of business July 31, 1914.

E. H. ALDEN,
Secretary.

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CONTENTS.

- "The Economic Relations of the British and German Empires." By Edgar Crammond. (With Discussion.) Annual Report of the Council, &c.; Proceedings of the Eightieth Annual General Meeting.
- "On the Use of Analytical Geometry to Represent Certain Kinds of Statistics" (continuation and conclusion). By Professor F. Y. Edgeworth, M.A., F.B.A.
- "Some Factors Associated with the Illegitimate Birth-rate." By J. W. Nixon, B.Sc. Reviews of Books. Current Notes. Royal Statistical Society, 9 Adelphi Terrace, Strand, London, W.C.

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The Statist.

LONDON, SATURDAY, AUGUST 15, 1914.

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The Money Market

Friday Evening, August 14, 1914.

Bank of England Rate.	5 per Cent. (Aug. 8, 1914)
	6 per Cent. (Aug. 6, 1914)
	10 per Cent. (Aug. 1, 1914)
	8 per Cent. (July 31, 1914)
	4 per Cent. (July 30, 1914)
	3 per Cent. (Jan. 29, 1914)

Deposit Rates:—

	DATES FIXED.	AT CALL	(SHORT NOTICE) 7 DAYS. 14 DAYS.
Banks	August 8, 1914 ...	—	3½ ... 3½
	August 6, 1914 ...	—	4 ... 4
	August 1, 1914 ...	—	5* ... 5*
	July 31, 1914 ...	—	4 ... 4
	July 30, 1914 ...	—	2½ ... 2½
	January 29, 1914 ...	—	1½ ... 1½
Discount Houses	August 8, 1914 ...	4	4½ ... 4½
	August 1, 1914 ...	5	5½ ... 5½
	July 31, 1914 ...	4½	4½ ... 4½
	July 30, 1914 ...	2½	2½ ... 2½
	January 29, 1914 ...	1½	1½ ... 1½

* Head Office and Metropolitan Branches only.

MONEY.

BEARING in mind the suddenness with which the war has been sprung upon the world, it is not to be wondered at that business has been thrown out of gear for the time being. Upon the whole, however, the commercial community has acted well, and already confidence is reviving. The immediate course of events will largely depend upon the progress of the conflict. If the aggressors receive a severe check the revival of confidence will proceed at a very rapid rate, for it will naturally be argued that since having chosen the moment at which they would attack, and not having prevailed even under those circumstances, they are sure to be badly beaten in the end. On the other hand, marked success on the part of the aggressors would, of course, discourage the commercial community, and it might be found necessary to prolong the moratorium for a much greater time than the best judges now think will be necessary. The immediate fighting that is reported as we write ought not to be regarded too seriously. It is true that military men generally are of opinion that mobilisation both in Germany and in France will be completed about the end of this week, and that, therefore, the real struggle is about to commence. But it is hardly probable that either party is so very ready as yet that a decisive engagement can be fought.

Furthermore, it is to be recollected that even if some British troops have been sent to Belgium we are not yet in a position to put forward our whole strength. What is still more important is that, although Russia has been adopting measures to shorten the time hitherto taken in mobilising, her arrangements have not proceeded so far that she is able to bring forward a really great force in the time taken either by France or Germany, or even by Austria-Hungary. Russian reinforcements, then, will not come up for some time yet. Consequently, it will be impossible to make a true estimate of the probable result of the war until, at all events, the Russians come up in great strength and British preparations are so forwarded as to enable her to take an active part in the operations.

Assuming, however, as we are of course, naturally inclined to do, that the side on which we believe right and justice are will win, every day that passes will help to revive confidence and, therefore, to increase all kinds of commercial operations. In the meantime, it is very desirable that everything possible should be done to abbreviate the time during which

the moratorium is to exist. Many good judges hold that the moratorium must be extended again and again, and probably will continue for several months. No doubt that will be so if the fighting is not very decisive at the beginning, and if nothing important is done to restore confidence. But surely there exist means of bringing the moratorium to an end at a comparatively early date. That it would be unwise to terminate it very quickly we do not dispute. But every reasonable person, we think, will agree with us that an effort should be made to make it possible to bring the moratorium to an end at as early a date as possible.

Even if nothing is done except to extend the moratorium, we agree that the home situation will gradually so improve that business will become fairly active. In the anxiety caused by the sudden declaration of war by Germany and her invasion of Belgium, so many people found it difficult to meet their engagements that a moratorium unquestionably became necessary. But already the public has become calm, and very many who a week ago could not meet their engagements are now beginning to pay their debts. One illustration of this may be given on a very high authority. A bill from over sea fell due and was duly presented. But the creditor was asked under the terms of the moratorium to agree to its renewal. He did so. Yet within a very few days—three if we remember rightly—the bill was paid. In numerous cases this kind of thing no doubt has happened, and every week that passes will enable people to get in moneys now due to them, and which they feared would become quite irrecoverable a little while ago. We are quite prepared, therefore, to find that even if nothing more is done than already has been done, the internal situation will improve of itself.

Every person who has engagements to meet will, of course, economise; we hope not so unwisely as to cause an increase of unemployment, but in every reasonable way he can; and those who have commitments to meet will naturally do their utmost to meet them as soon as possible. Moreover, if, as we all hope and believe, our fleet is able to maintain command of the sea, the sea-borne trade will soon attain its normal scale, and thereby will materially help to increase confidence. But admitting all this, there is another side of the question which must not be left out of account, and which seems to call for action by the commercial community, and especially by the banks.

Earlier in the week, perhaps the most serious question that was occupying the minds of the authorities and of the City was the impossibility of getting in debts due by individuals and institutions in Germany and Austria-Hungary. Happily, that ticklish matter has been got out of the way. The Government has recognised how grave it was, and has taken steps which have been welcomed by the City and have gone far already to restore confidence. The Bank of England, too, has merited the gratitude of the City, and, indeed, of the whole community. It has cheerfully undertaken serious duties which it has never faced in former times. And it has done this with so much judgment and foresight that the fears that were entertained that the capital locked up in German acceptances and the like would be completely put beyond the reach of the British commercial community have been dispelled. The arrangement arrived at on this point is excellent. It is working well, and there is a decidedly more cheerful feeling in the City than there was at the beginning of the week. Every credit is due to the Government and to the administration of the Bank of England.

There remains only one other serious problem, and happily it is occupying the best minds, not only in this country, but in the United States. We refer,

of course, to the stop put to the export of gold from the latter country, and to the difficulties of making payments. We discuss the matter pretty fully elsewhere, and need only observe here that it does not present difficulties as great as have already been overcome. We see no reason, indeed, why it should not be settled quickly and satisfactorily. For it is to the interest of the United States as well as the United Kingdom that it should be got out of the way quickly. When it is we have the best grounds for hoping that we shall do a very large trade with the United States. Germany, it will be remembered, had built up a great trade with that country. For the time being she is unable to carry it on. Therefore, an opportunity is presented to us to extend our commercial operations on a large scale, and so not only to add to the wealth of the country, but to give full employment at good wages to the working classes.

A week ago the Money market was in a chaotic condition—that perhaps is a too strong expression—at any rate business was completely at a standstill in several departments. The manner in which the public supported the Government in their efforts to supply an abundance of small cash was most satisfactory; but, of course, it could not have a great influence in what may be described as purely banking business, and it was not until Wednesday, when the Government's proposals were announced, that any feeling of relief was noticeable in the Discount market. The Bank of England has before now worked under a guarantee, relieving them of loss on certain operations, but heretofore the guarantee has been that of a banking syndicate. A Government guarantee to the Bank against losses on financial operations of a commercial character is absolutely unique, but circumstances are also unique. It is hardly time yet to speak as to results, but the first indications are that the step, exceptional as it is, will do much to restore confidence. Already in some quarters brokers have been inclined to work more freely, and sporadic transactions are reported in bankers' acceptances at $5\frac{1}{2}$ to $6\frac{1}{2}$ per cent., and occasionally at $5\frac{1}{4}$ per cent. For trade bills brokers are not yet willing to quote. An important new departure by the Bank of England has been their willingness to take bills from the brokers at the official minimum, and bills, too, of a long date. Brokers, therefore, who had loans outstanding on the security of bills at $\frac{1}{2}$ per cent. above the official minimum have paid off their short loans by giving up their securities—viz. by discounting the bills with the Bank of England.

The foreign exchange market is still disorganised, but steps to improve the position have so far shown good results, and exchange transactions between New York and London are becoming more frequent. Outside the Continent of Europe the steps taken have been chiefly in the direction of making provision for the opening of credits at the Bank of England against the deposits of gold abroad. Arrangements have already been concluded whereby New York banks can draw upon London against the deposit of gold in Ottawa, and similar steps are being taken to obviate the shipment of sovereigns from Australia and also to obtain credit in London against the output of South African gold, which, under certain regulations with regard to assay and value, will be rendered available for London by being lodged with approved depositories in South Africa.

DEPOSIT RATES.

FOLLOWING upon the reduction in the Bank of England rate on Saturday last to 5 per cent., the joint-stock banks announced that the rate of interest allowed by them on deposits would be lowered to $3\frac{1}{2}$ per cent. Simultaneously the discount houses notified a change in the rates for money at call and at short notice which were lowered to 4 per cent. and $4\frac{1}{2}$ per cent.

respectively. For the various changes in rates that have recently taken place we would refer the reader to the tabular statement at the head of this article.

TREASURY BILLS.

ACCORDING to the *London Gazette* of Tuesday last, the amount of Treasury bills outstanding was reduced during the week ended August 8 to £15,100,000, as compared with £15,500,000 in issue on August 1. The smaller amount is due to the bills issued privately having been reduced to £9,100,000.

BANK OF ENGLAND.

THE return of the Bank of England was this week issued on the usual day, but the changes shown were phenomenal. The figures show, on the one hand, the effects of the continued demand for cash, and on the other hand they indicate the inflow of gold, whilst another and not unimportant feature has been the extent to which the Government have had to raise money in connection with their military operations. The last return of the Bank showed a loss of fully £10½ millions of gold. This week's return shows a net increase of nearly $5\frac{1}{2}$ millions against a receipt of $9\frac{1}{2}$ millions of gold from abroad. Another four millions went into the country, and as there was a small contraction in the note circulation the reserve is $5\frac{1}{2}$ millions higher. Besides receiving this money the market also received $3\frac{1}{2}$ millions out of the public deposits, whilst the discount business at the Bank added nearly £5½ millions to the other securities, which have run up in the last three weeks from £33½ millions to £70½ millions. Apart from these favourable movements in loans a sum of £12 millions was released by an increase in Government securities, which have risen from £11 millions last week to £12 millions this week. This increase, of course, represents borrowings by the Government from the Bank of England for ways and means. It is certainly very many years since the Government securities held by the Bank exceeded £23 millions. We believe, as a matter of fact, the total is an absolutely high record. As the market lost nothing beyond a slight addition to the rest, all the money received from the inflow of cash, Government disbursements, and borrowings from the Bank, the bankers' balances or other deposits have increased no less than £26½ millions to the large sum of £83,326,000. This sum is probably very many millions above the highest figure ever previously recorded. It is owing to this large total of deposit liabilities that the ratio has only risen $2\frac{1}{2}$ per cent. notwithstanding the increase in the reserve.

POSITION IN INDIA.

OWING to the new regulations by which code telegrams are prohibited, there is a great lack of advices with respect to financial and commercial operations in the Far East, and consequently political events in Europe have not had any appreciable effect upon the value of money in India. There is naturally little disposition to send money from London to India, and the applications for the 10 lacs of Council remittances offered on Wednesday last did not exceed 5 lacs, all of which were in bills at 1s. $3\frac{1}{8}$ d., as compared with a rate last week at 1s. $3\frac{3}{4}$ d. for transfers. Meanwhile the Indian Government are still offering to sell sterling bills on London, and the million offered on Wednesday was almost entirely covered. The applications amounted to £813,000, which were all accepted at the rates of 1s. $3\frac{3}{4}$ d. for transfers and 1s. $2\frac{3}{4}$ d. for bills. The transfer rate is a $\frac{1}{8}$ d. higher than that of last week, while the bills are unchanged.

The following are the minimum Rates of Discount current in India:—

Bombay ... 4 per cent. (Aug. 7, '14) | Bengal ... 4 per cent. (Aug. 7, '14)

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, August 12, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.		Rate.	Tendered.	Accepted.	
s. d.	Rs.	Rs.	%	s. d.	Rs.	Rs.	%
1 3/4	5,00,000	5,00,000	100	—	—	—	—

From April 1 to Aug. 11 inclusive the Council have granted remittances for Rs. 5,19,88,332, realising £3,469,942. Up to Aug. 12 of last financial year the total Bills and Transfers sold was Rs. 9,94,34,750, realising £6,642,680. The total sales for the week ended Aug. 11 amounted to Rs. 5,00,000, realising £19,296. The amount to be offered for tender next Wednesday will again be 10 lacs.

SILVER.

Owing chiefly to Mint orders, and moderately to "bear" covering, the cash price of silver, which left off at 26d. a week ago, rose to 27½d., and on this advance silver which had been bought for export for the East was resold, and the price fell back to 26½d. To-day Mint orders restored the price to 27d. per ounce, showing an improvement of 1d. per ounce on the week. In reference to the strength of the market, Messrs. Pixley and Abell remark: "The fact of the 'bears' being unable to take advantage of the moratorium adds further strength to the position, the effect of the moratorium being that silver due must be tendered, but that the buyer has the right to delay payment under interest at the Bank rate."

Stock Exchange.

Settlement Days.	TICKET DAY.	PAY DAY.	CONSOLS.
	Wed., Aug. 26	*Thurs., Aug. 13	*Thurs., Aug. 13
	—	Thurs., Aug. 27	—

* Deferred to September 14 for General and September 7 for Consols Settlements.

Friday evening.

- July 31. Paris Bourse settlement deferred to August 31. London and New York Stock Exchanges did not open. General securities and Consols settlements deferred for a month.
- Aug. 3. Bank Holiday extended to August 6 inclusive. Moratorium of month to September 4.
- " 4. War declaration Germany and England.
- " 7. Banks reopen and issue of £1 notes.
- " 12. General securities and Consols settlements on London stock further deferred to September 14 and September 7 respectively. German branch banks in London permitted to resume business.
- " 13. Government guarantees bills of exchange discounted at the Bank of England. Measure for holding gold in Colonies for account of the Bank of England.

We said last week that there was a pretty general consensus of opinion in well-informed and thoughtful quarters that the deferment of Consols as well as the general settlements for time-bargains which had been decided on Friday, July 31, should be further extended. As we mention below, the Stock Exchange has come to a decision, but we do not consider that it is adequate to requirements. On July 31 the Committee deferred the Consols settlement to September 1, but it now fixes September 7, and this allows only three days beyond what is now fixed as the end of the moratorium, if, indeed, it be ended then. Again, on July 31 the Committee extended the general settlement from August 13 to August 27, and it now extends it to September 14. There may be domestic reasons for these short delays, but it looks as if the Stock Exchange Committee were gripping the position in anything but a strong manner. There is not in a sense enough time given to turn oneself round, and it would be very desirable to have the present unsettled position wound up as far as possibly can be arranged. It may be taken that virtually the whole of the end of July account has been settled. The open speculation that was carried over from the end of July to the mid-August account, we understand from inquiries, was of very limited extent, more than usually limited

owing to the fact that people for a long while past had been chary of entering into transactions other than bona-fide purchases and sales. Perhaps the one market where a little expansion of speculation had occurred was in some special mine shares.

On "carry-over" day, July 27, and quite early in the day, there occurred a stream of sales, some by nervous sellers and others by intending deliverers of stock requiring the money, but a large proportion in some international securities were out and out "bear" sales, especially for German account. The extent of new buying was infinitesimal, and a consequence was a crash down in prices and a wholesale marking down of quotations, without any business being done. All this was concentrated in a period of less than four days from, say, midday on the Monday to Thursday night. It is desirable to have this position of less than four days' operations cleared up before there is any fixing up of a date for re-opening the Stock Exchange, and when it resumes business there ought for a while to be precautions taken that only bona-fide purchases and sales of stock intended for delivery be arranged, and no speculative transactions entered into.

Unsettled Stock Exchange commitments really are of small dimensions. It is the loan position open that is the nettle to be grasped. For some considerable while there has been nothing in the nature of an unwieldy "bull" position, and, *per contra*, indeed there is knowledge that in some departments the last few days the Stock Exchange was open considerable engagements for the fall were entered into—that is there was out and out "bear" speculation or protective sales by holders who intend on a fall in price to repurchase what they sold.

Although the Stock Exchange is closed, many of the brokers' and jobbers' offices remain open. The Committee trust that all members, the Royal moratorium notwithstanding, will make every endeavour to settle all outstanding bargains.

It is a pity that, under the heading of "Correspondence," some suggestions of *outré* character have been given publicity in the Press. One such suggestion is that as the Stock Exchange is closed bankers should establish what is termed "a Stock Exchange of their own." It has to be borne in mind that the services of members of the Stock Exchange are still available for effecting cash transactions. Indeed, a fair volume of such transactions in securities has been arranged during the week. Sales of Consols have been matched by purchases by willing buyers at prices ranging from 69 to 72. In Colonial securities like arrangements have been made at virtually the same level of price as immediately prior to the close of the Stock Exchange. Further end of July engagements have been settled as to payments for stock, and even though the mid-August settlement has been postponed, some closing up of speculative business has also been arranged. The man of means who purchased for a short speculation and who has elected to

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pay for the stock is brought into contact, through his Stock Exchange broker, with the ultimate seller, *pro tanto* reducing the amount of open position. There is no necessity whatever for the carrying out of the suggestion for establishing a bureau to be competitive with the Stock Exchange.

The closing of the Stock Exchange and the deferring of settlement means that those persons who carried forward stock from the end of July to mid-August account at fixed agreed terms as to the carry-over rate will from August 13 automatically have the carry-over rate for the extended period fixed at 6 per cent. interest, this being the rate formally fixed by the Stock Exchange Committee in notice dated August 11. We interpret this action to mean that for the period from August 13 to September 14 the rate will be 6 per cent.

As an outcome of the consideration of the Stock Exchange Committee a further circular was issued on August 12. There is further postponement of settlements. Bargains opened in Consols for the August account are to be settled on September 7, and those for the September account on October 1. Bargains in general securities opened for the mid-August account are to be settled on September 7, and those for the end of August account on September 28, and similarly a month's delay is arranged in respect of bargains for special settlements. It is confirmed that the Contango rates for the period of extension are to be 6 per cent.

Of course, adherence to the fresh arrangements formulated depends on whether or not an extension of the general moratorium will be found necessary. In all probability New York will be the first of the big Stock Exchanges to be reopened, and the adjustment of international positions in respect of American railway shares and bonds will help to relieve the situation in London and other centres.

The distribution of dividends by the railway companies in this country will help the position *pro tanto*, and is practicable owing to the happy circumstance that the companies secure income daily in hard cash and are in a position to meet dividend requirements. It is not with such companies as with many industrial enterprises with ample cash resources, but inability to secure cash in a period of moratorium. The deadlock in respect of strong Rand mining, &c., companies, for instance, is that they have very large sums accumulated and yet have perforce to postpone the distribution of dividends some time ago announced. The occurrence of the moratorium in respect of bills of exchange and inability of banks to call in loans or realise investments, has locked up the resources of the banks, as until the deadlock is relieved they are not in a position to pay depositors. It is regrettable that the directors of some companies not under the necessity have elected to defer declaration of dividends altogether. The policy is not far removed from a policy of hoarding gold, and shows a lack of disposition to help the situation. There are companies that are obliged to take the step of deferring payments or declarations of dividends for quite proper reasons; but there are companies not under the circumstances, whose directors are taking a selfish course inimical to the public interest.

Paris Bourse Prices.

	July 21	July 28	Aug. 11
French Rento (3½ %) ...	90.25a	86.75a	82.50a
" " (3 %) ...	81.10m	78.00m	75.25m
Russian (5 % 1906) ...	101.90m	98.15m	90m
Italian (3½ %) ...	94.45a	92.35a	90m
Spanish Exterior ...	87.10s	85.30a	84m
Banque de France ...	4,580a	4,525a	3,900m
Banque de Paris ...	1,235a	1,190a	1,130s
Crédit Lyonnais ...	1,470a	1,405a	1,300s
Erio Tinto Copper ...	1,683a	1,449a	1,400m

(a) = For s/c.

(m) = For money.

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Mining Topics.

THE *débâcle* in mining shares brought about at the end of July resulted in the forcing down of prices of shares of good companies, in a great number of directions immensely below *bona-fide* and intrinsic merit values. There was much selling by real holders, and also speculative selling of leading international mining descriptions. The severity of the decline in this class of international free-market securities brought about a sympathetic decline in other mining securities where there was no corresponding large volume of selling, but simply a marking down of prices. In especial was this sympathetic decline with international securities apparent in several Rand mining shares where there is a fairly free market in London and no large international commitments.

In regard to gold-mining shares, it should be borne in mind that there is not that menace to intrinsic merits that attaches to base-metal producing mines. The shares of the latter class of mines are affected by fluctuation in the values of the metals produced, but nothing of the sort occurs in regard to gold mines.

Our advice to owners of gold-mining shares of approved character, and especially Rand dividend-paying shares where the life is a long one, is to tenaciously retain their interest. All the probabilities are in their favour in regard to war consequences, and we need not elaborate the improbability of the two Central European Powers dominating the world. Already there are signs that the policing of the seas will be effectively carried out by the Allied Powers, and the maintenance of international neutrality laws upheld by other countries which are not in a state of war. Ocean transport facilities in these circumstances will become normal. There will remain localisation of the conflict in Europe. The range of prices has been brought down to a war level, even below a war level in some instances, and when the time comes for restoration of peace matters will change completely. These are broad considerations outside the question of intrinsic merits.

The half-yearly dividends of Rand mining &c., companies, aggregating about £4,000,000, declared some six weeks ago and due for payment a few days ago, are deferred by most of the companies. Holders of Rand shares who, after passing through the bad market times of the first half of the year and witnessing the tremendous depreciation in the value of their securities both before and after the declaration of war by Austria, are further pinched; and it is to be regretted the companies affected inadequately explained to their shareholders exactly why such a step has to be taken. Directors have found that owing to the moratorium they could not get from their bankers the money they had placed on deposit, and had lent temporarily till required. Bankers had in usual course invested in bills the money lodged with them, and the moratorium has meant that bills are not met. In turn the banks resort to moratorium terms. The adverse effect of the war on diamond and base-metal producing mines, necessitating the postponement, even the passing, of dividends, is understood; but why the strong dividend-paying Rand mining concerns should be similarly affected has not been apparent to the general body of shareholders, who in many cases accuse directors, unjustly, for the outcome of a quite proper course of action in placing receipts on deposit till the cash is required, and now, when the earmarked money is wanted, in the circumstances it cannot be obtained.

It may be recalled that some Rand mining and kindred companies have already effected distributions, and here and there others will do so. Shares of the Central Mining, City and Suburban, and Robinson Deep companies were quoted ex-dividend on July 29, as the dates of payment were due on that or previous days. The Langlaagte Estate Company has posted its dividend warrants to shareholders, the Kleinfontein will pay its dividend, and Randfontein Debenture interest due September 1 is reported as ready for the due date.

At the moment the feature of interest in connection with mining securities is this deferment of payments. It must not be interpreted that the deferment means postponement for a long period. It is quite possible that ways and means will be found for the provision of necessary amounts at an early date; possibly, indeed, in some cases, prior to the date of the conclusion of the moratorium. Advices from the Rand are not by any means pessimistic. The fact that shipments of Rand output are not being made, but the gold retained in the country, is not of sinister import; rather, indeed, the opposite may be said, for it is likely that a policy of setting aside the gold in South Africa and other colonies and earmarking it so that it is regarded as if it were in the vaults of the Bank of England will

be adopted, in which case notes can be issued in this country against the security of such gold and the note-circulation enlarged.

The expectation that July would show an increased production of gold compared with the previous month has been realised, but of course this is partly due to the fact that July contained 31 days against 30 days in June.

The Rand's production of gold according to the Transvaal Chamber of Mines is contrasted below:—

				Tons Milled and Yield per Ton		Value £
				Tons	Yield	
1912	...	...	...	25,486,361	29/0	37,182,746
1913	...	...	...	25,628,432	27/9	35,812,605
1913.						
First half	...	...	...	13,563,518	27/11	18,932,826
July	...	...	...	1,873,980	28/4	2,655,286
1914.						
First half	...	...	...	12,308,282	26/11	16,609,705
July	...	...	...	—	—	2,983,731

The returns of natives recently employed in gold mining are as follows:—

1914					
July	June	May	Apr.	March	Feb.
167,006	166,248	165,433	165,005	162,815	157,673

It is represented that the dynamite factories in South Africa, the principal one being the Modderfontein works near Johannesburg, have about a year's supply of raw material for the manufacture of explosives. It has to be borne in mind that the shutting down of the diamond mines will reduce the demand for dynamite. One has to wait to learn what policy is to be adopted in respect of obtaining adequate supplies of cyanide. It is understood that cargoes from Germany are on passage, and the probability is either of capture or on arrival the supplies being seized and forwarded to their ultimate destination. Further, manufacture in this country will doubtless be greatly extended and afford additional work here.

Rand Profits.		
	July £	June £
Knights Deep	12,934	12,445
Luipaard's Vlei	3,244	4,178
Pigg's Peak	728	946
Princess Estate	2,274	2,320
Robinson Deep	29,497	28,378
Simmer and Jack	27,119	24,862
Simmer Deep	5,797	4,603

RAND MINING SHARES.

SHARES SHOULD BE KEPT.

PERSONS who hold Rand mining shares of dividend character, selected because of the nature of the property, good outlook for the future, and reasonable assurance as to duration of life, will be well advised to refrain from selling. The débâcle at the end of July reduced quotations appreciably below a previous price which had been considered unduly low. If one assumes that the investor in approved mining shares desires an income of 10 per cent. as an average for the life of the mine and he sets aside excess of dividend beyond what he requires to give him his 10 per cent. income, investing it at only 3 per cent. compound interest, there are instances where the market prices of shares of good description are distinctly less than the present values.

For instance, on March 7 we referred to the City and Suburban Company, giving data as to its probable life and average dividend for that life. If the dividend secured is an average of 15 per cent. for a life of 10 years the present value of the £4 share, to give the investor 10 per cent., works out at about 3½. At the end of July the London price of the share, ex dividend, was 2½.

The example above is a simple one. There is no probability of additional plant being put into operation, for the life is a short one. With the deep-level area to the south-east of the City and Suburban—that is, the City Deep mine—various different problems have to be considered. The mill has been put up with a capacity to deal with 800,000 tons per annum, but nothing like that capacity has yet been attained, and considerable additional development work by the new circular shaft and opening up levels at the eastern shaft for securing ventilation will have to be effected. The consumption quite recently has been at the rate of approximately 500,000 tons per annum. For 1913 a mine profit of only 12s. 6d. per ton was secured, but for the June quarter an average of approximately 17s. per ton was obtained. With an increase in the quantity of ore dealt with the trend is for reduction of working costs. Working costs have gradually been pulled down from 25s. 3d. per ton for the whole of 1913 to 21s. 9d. per ton for the month of June 1914. Ignoring possibilities, or rather probabilities, of further reduction in working costs, and conservatively estimating only 15s. per ton profit, 500,000 tons per annum would mean 25 per cent. dividends and a life of 55 years. Should a gradual increase in output to 800,000 tons per annum be attained, 15s. per ton profit on such quantity would equal 40 per cent. dividend, and only 12s. 6d. profit per ton on a like quantity of 800,000 tons would equal 35 per cent. dividend. Given continuity of working and growth of the labour supply, and barring, of course, accidents or stoppages of temporary character, such as from inability to obtain full requirements of stores, cyanide, dynamite, &c., the possibilities of the future may be tabulated in the manner given below. The table shows what varying quantities of annual consumption represent as to the life of the mine, as to the gross profit, and as to the probable dividend. Then, supplemental to the figures as to tonnages, profits, and dividends we present a second table which gives what the dividends on the lives estimated mean as to the present value of the share. Where the dividend is estimated to average 25 per cent. for a period of 55 years the man who pays £2 6s. for a share will for 55 years receive an income of 10 per cent., and by investing excess dividend at only 3 per cent. compound interest at the end of 55 years his sinking fund will recoup him the amount he has paid for the share. This is, of course, an instance of a very long life with small dividend. Should the Company, as it may do at no distant date, attain an output of 800,000 tons a year, on the basis of 15s. per ton profit the present value of the share works out at £3 8s. 6d., and on 12s. 6d. per ton profit the present value works out at £3. On the same principle we also give what is the present value of the share if the investor is content with a less annual income than 10 per cent., as we extend the table to 9, 8, and 7 per cent. :—

Annual Output at 15s. per Ton Profit.

Life Years	Tons	Mine Profit £	Divisible Profit £	Dividend %
55 ...	500,000	375,000	334,000	312,500 25
46 ...	600,000	450,000	402,000	375,000 30
40 ...	700,000	525,000	469,000	437,500 35
35 ...	800,000	600,000	535,000	500,000 40

At 12s. 6d. per Ton Profit.

35 ...	800,000	500,000	446,000	437,500 35
28 ...	1,000,000	625,000	563,000	561,500 45
20 ...	1,400,000	875,000	785,000	750,000 60

Present Value of Share to give Income (at 15s. per Ton Profit).

Life Years	Dividend %	Present Value of Share to Yield			
		10 %	9 %	8 %	7 %
55 ...	25	£ 2 6 0	£ 2 11 6	£ 2 16 9	£ 3 4 0
46 ...	31	2 14 0	2 19 6	3 6 0	3 14 3
40 ...	35	3 1 9	3 7 10	3 15 0	4 4 0
35 ...	40	3 8 6	3 15 0	4 2 10	4 12 8

At 12s. 6d. per Ton Profit.

35 ...	35	3 0 0	3 1 9	3 12 8	4 0 10
28 ...	45	3 13 0	3 19 6	4 7 0	4 16 6
20 ...	60	4 7 6	4 14 4	5 2 6	5 6 0

The last quotation of City Deep shares prior to the closing of the Stock Exchange was 2½; this included the dividend recently announced, so that the net price is almost exactly the same as the present value of the share to give the investor 9 per cent. and the redemption of his capital by investing excess dividend at 3 per cent. compound interest. The outlook of the Company, as mentioned above, points, when the position is cleared, to very decidedly better results than are at the moment being obtained.

One other example of undervaluation is the Modderfontein B Gold Mines, Limited. This Company at the end of July had its £700,000 of capital at a market price of 3½ per £1 share valued at £2,537,500. The ore reserves position on latest data available—at the end of 1913—was in round figures 2,800,000 tons. Roughly, the profit secured per ton is in the region of 20s. per ton. This profit per ton applied to 2,800,000 tons shows an excess of profit value of the ore reserves over the market value of the capital, and nothing whatever is taken into account in respect of the very long life of the mine. On the use of 600,000 tons our calculation of the life in "M. O. A." is 34 years.

ROBINSON DEEP.

RECENT events have caused us to defer remarks on the achievement of this Company for the year to March 31, 1914. In the Consulting Engineer's report as to the state of the property it is mentioned that the ore reserves at the end of the financial year were 1,533,000 tons, or almost identically the same as a year ago; the grade, however, has diminished to 25s. 1d., against 25s. 6d. The report refers to some heavy work having to be done for further support of No. 2 inclined shaft and a lower portion of No. 2 vertical shaft, where the ground has been weakened through the influence of a soft dyke. Incidentally in referring to this extra work it is mentioned that it is necessary to carry it out as the mine has a probable life of eight or nine years. As to the immediate future there appears the following:—

"There will be an appreciable decrease in the high-grade tonnage to be mined from the water-right ground, which should be nearly worked out during the present financial year."

A contrast of results of the 1914 period with those of 1913 is set out below:—

	Year to March 31—1914	Per Ton	1913	Per Ton
Gross receipts ...	(619,140 tons) 851,623	27/8	(623,800 tons) 832,834	23/10
Expenses ...	526,898	17/0	554,744	17/9
Mine profit...	324,725	10/6	378,090	12/1
Sundry net revenue ...	7,516		6,519	
	332,241		384,609	
Appropriations:	£		£	
Phthisis, &c. ...	10,580		9,454	
Government taxes ...	22,299		28,355	
Dividends ... (27½ %)	275,000	(27½ %)	275,000	
	307,879		302,809	
Surplus ...	24,362		74,810	
Balance brought forward	118,342		125,794	
	142,704		200,604	
Applied to reserve ...	6,583		19,756	
Govt. annuities for claims	30,708		62,526	
Balance for ward ...	105,408		118,342	
	142,701		200,624	

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Consolidated Langlaagte.—Increase in the labour supply for the June quarter permitted additional tonnage to be treated. To the east of the west shaft at the eighth level South Reef in ore of high grade. Developments at west are reported to have been more promising during the June quarter.

Witwatersrand Gold.—26,991 milling tons were added to reserve in the June quarter beyond the quantity used.

General Mining and Finance Company Group.—The recent development showings of the mines of this Group are given below:—

Period	Sampled on Reef Feet	Payable			Stopping Width Inches	Shilling-Inches
		Feet	%	Assay		
Anrora West.						
1913. June qr....	3,190	1,755	55	37/10	41.35	1,561
" Sept. qr....	1,824	1,182	64	37/4	44.14	1,644
" Dec. qr. ...	1,445	855	59	44/5	44.06	1,958
1914. Mar. qr....	1,140	735	64	41/2	46.74	1,923
" June qr....	1,395	855	61	36.8	42.0	1,537

Meyer and Charlton.

1913. June qr....	905	605	67	63/3	46.10	2,913
" Sept. qr....	905	510	56	113/4	47.32	5,361
" Dec. qr. ...	975	560	58	111/11	46.32	5,146
1914. Mar. qr....	815	665	69	112/6	49.69	5,590
" June qr....	835	595	71	104/6	49.02	5,122

New Goch.

1913. 4 mos. ...	—	845	—	24/7	72	1,708
" June qr....	1,148	868	76	34/5	61	2,104
" Sept. qr....	780	595	78	30/7	52	1,586
" Dec. qr. ...	827	597	72	28/9	50	1,337
1914. Mar. qr....	910	760	83	34/2	46	1,564
" June qr....	1,033	893	84	35/9	50	1,787

Roodepoort United.

1913. June qr....	2,545	1,807	71	31/5	38.42	1,209
" Sept. qr....	1,950	1,375	70	33/7	38.66	1,293
" Dec. qr. ...	2,365	2,060	87	29/4	41.04	1,202
1914. Mar. qr. ...	1,570	1,235	78	27/2	49.91	1,372
" June qr. ...	1,840	1,340	72	25/3	48.67	1,238

Van Ryn.

1913. June qr. ...	2,360	1,331	58	33/2	39	1,290
" Sept. qr....	308	233	75	33/2	42	1,390
" Dec. qr. ...	1,140	680	59	33/2	38	1,272
1914. Mar. qr. ...	1,652	724	44	34/10	40	1,392
" June qr....	1,681	1,212	72	37/10	42	1,587

West Rand Consolidated.

1913. June qr. ...	2,936	2,156	73	36/11	48	1,697
" Sept. qr....	1,608	1,108	68	40/9	43.5	1,770
" Dec. qr. ...	1,600	875	64	26/4	46	1,209
1914. Mar. qr. ...	1,250	660	52	68/10	46	3,164
" June qr. ...	1,010	465	46	42/11	44	1,887

Government Areas.—Development showings as under:—

North-West Shaft Reef met June 1912 at depth 2,395 feet.

	Total Footage Feet	Payable Footage Feet	Width Inches	Assay s. d.
1913. Mar. qr. ...	2,900	1,133	26	55 3
" June qr....	4,179	1,630	25	51 0
" Sept. qr....	2,696	640	28.3	25 1
" Dec. qr. ...	2,707	660	27.8	45 6
1914. Mar. qr. ...	2,815	1,280	33.8	43 9
" June qr....	2,569	1,621	33.9	49 6

North-East Shaft Reef met August 1912 at depth 2,275 feet.

1913. Mar. qr....	1,839	858	20	60 6
" June qr....	3,065	1,500	19	59 6
" Sept. qr....	2,497	980	35.2	52 3
" Dec. qr. ...	1,656	320	44.5	84 2
1914. Mar. qr. ...	2,713	880	28.1	54 5
" June qr....	2,526	1,100	34	45 6

August 1913 connection effected between the above shafts.

South-East Shaft.—At this Shaft is being erected the reduction plant. Reef was met in it May 1913 at depth 3,580 feet.

1914. Mar. qr....	2,159	950	42.8	39 8
" June qr. ...	2,355	600	30.7	62 4

South-West Shaft Reef dipping about 8 degrees met October 1, 1913, at 3,608 feet depth.

1914. Mar. qr....	1,237	420	23.9	78 3
" June qr. ...	1,573	440	12.4	113 10

Ore reserves end June 1914, 1,785,600 milling tons, average assay value 27s. 3d.

Premier Diamond. Following De Beers this Company has closed down operations. Payment of the dividend on Deferred shares declared in June is postponed.

Globe and Phoenix.—A telegram has been received that the Rhodesian Government has permitted the Company to work night shifts in stopes 10 hours from bank to bank. This, of course, is intended to accelerate the production of gold.

Cam and Motor.—Crushing results as under:—

	Tons	Value Recovered £	Per Ton	Extraction %	Assay Value
Feb. 28 to April 30 ...	34,601	24,674	—	57.8	—
May ...	11,120	13,598	25/1	57.8	43/5
June ...	10,409	15,204	29/3	63.1	46/4
July ...	12,234	15,867	26/0	63.6	40/10

The assay value of the Company's ore reserves accumulated to date of commencement of milling was returned as 44s. 6d.

EFFECT OF WAR ON METALS.

LEAD AND SPELTER.

IN considering the effect of the war on the prices of lead and spelter (zinc), one has to take into account the production and consumption of the two metals by the various countries now at war in relation to the rest of the world. The chief belligerent countries are all large consumers of both lead and spelter. As regards lead, Germany and Austria together consumed, in 1913, 259,000 tons, or over 20 per cent. of the world's production, and the Powers of the Triple Entente and Belgium accounted for 400,700 tons, or about one-third of the world's output. As regards production, it is probable that Germany is credited with a much larger output of both lead and spelter than she is actually entitled to, for large quantities of concentrated ores from other countries are sent to Germany for refining into the metal. But in any case the lead production credited to Germany and Austria combined was, in 1913, 53,800 metric tons less than their consumption. On the other hand, the lead output of the Triple Entente Powers and Belgium was as much as 293,400 metric tons less than their requirements. The United States' huge lead production only just meets its own needs, so that the excess requirements of the European countries is usually met by imports from other countries having a surplus production, notably Australia, Spain, and Mexico. In regard to spelter likewise, the normal consumption of the belligerents largely exceeds their own productions. To show the production and consumption of the belligerent countries and the rest of the world we give the following figures taken from the Metallgesellschaft's annual publication, just received from Messrs. Merton and Company. Metric tons are given:—

	Lead 1913				Spelter 1913			
	Est. Production Tons	Est. Con- sump't'n Tons	Excess Production Tons	Con- sump't'n Tons	Est. Production Tons	Est. Con- sump't'n Tons	Excess of Production Tons	Con- sump't'n Tons
G. Britain...	31,500	191,400	—	160,900	59,146	194,600	—	135,454
France ...	28,000	107,600	—	79,600	71,023†	86,900	—	15,877
Russia ...	1,000	58,800	—	57,800	7,610	33,300	—	24,69
Belgium ...	50,800	42,900	7,900	—	197,703	76,400	121,303	—
Total ...	110,300	400,700	—	290,400	335,482	391,200	—	55,718
Germany ...	181,100	223,600	—	42,400	283,113	232,000	51,113	—
Austria-Hun- gary ...	24,100	35,500	—	11,400	21,707(a)	40,400	—	18,693
Total ...	205,200	259,000	—	53,800	304,820	272,400	32,400	—
Un. States...	437,800	401,300	6,500	—	220,283	313,300	6,983	—
Mexico ...	62,000*	—	—	—	—	—	—	—
Australia ...	116,000	9,600	106,400	—	—	—	—	—
Canada ...	17,100	22,900	—	5,800	—	—	—	—
Japan ...	3,000	18,500	—	14,900	—	—	—	—
Spain ...	203,000	—	—	—	—	—	—	—
Italy ...	21,700	32,600	—	10,900	—	—	—	—
Other coun- tries ...	40,000	51,600	—	11,600	37,334	35,800	1,534	—
	871,200	636,100	334,700	—	357,617	349,100	8,517	—
Grand total	1,186,700	1,196,200	—	9,500	997,900	1,012,700	—	14,800

Average price, £18 6s. 2d.

* Production much less than usual owing to disturbed condition of the country. † Including Spain. (a) Including Italy.

With war in progress in Europe on a vast scale, it is evident that none of the countries will consume as much of the metals as usual, and the Continental countries especially will not be in a position to produce their usual quota of the metals either. In 1913, as shown above, the belligerent countries' consumption of both metals largely exceeded their productions, so that with Continental workshops at a standstill, and the import and export trade of Germany and Austria, at any rate, almost stopped, the outlet for the surplus production of other countries is bound to be seriously affected. Great Britain, which has its main trade routes open, and has not the whole of its able-bodied manhood fighting, will be less affected than the other nations; but still it is involved in the war, and its trade must in consequence be seriously injured, at any rate for the time being. Of course some of the large individual producing mines of Australia have already been shut down, and this will tend to restrict the volume of production.

BROKEN HILL MINES.

LAST week we reviewed the latest progress of the North and South Broken Hill mines, showing their strong mining and financial positions. Both these concerns will benefit to a considerable extent in the future from the application of the new process invented for the extraction of metals from the hitherto untreated zincy slimes residues. The South's plant in this connection was expected to be working in the current half-year. The effect of the war, however, on the price of lead must not be overlooked. Increased demand for this metal for armament purposes should result; but as against this has to be set the inevitable falling-off in the world's trade. There is also another factor affecting Broken Hill companies. They sell a large proportion of their outputs of concentrates to Germany for treatment, and consequently the existing conditions in that country will cause discomfort, unless arrangements can be made to smelt the product locally or in America, in which case smelting and other charges would probably be higher. Late last week announcements were made that the British and South companies have been forced to close down owing to buyers of concentrates in Germany having to suspend their contracts for taking production. This factor, although not affecting the intrinsic value of the mines, must seriously influence the immediate future prosperity of those mines that have to shut down. The period of enforced idleness will depend upon whether it is found possible to fix up fresh contracts locally or elsewhere than in Germany. The Broken Hill Proprietary and the Sulphide Corporation have plants for smelting their own as well as purchased concentrates, so that not all the mines need be directly affected by conditions in Germany. As regards zinc production, this section of the industry will be particularly affected, as very little local smelting is done. The Zinc Corporation's zinc mill has already been closed down. It may be that such conditions will lead to the Broken Hill concentrate-smelting business being transferred to Australia.

RAND GOLD OUTPUT.

Brakpan.—Capital issued, 750,000 £1 shares; 160 stamps. Eight tube mills now working.

Yearly Statement of the New Working.											
Year ends		Tons	Sort-	Revenue	Expenses	Profit	Price				
Dec. 31	Stps.	Milled	ing	Amt.	Amt. Per ton	Amt. Per ton	end of				
			%				Period				
1913	...	149av.	613,269	13½	865,314	28/3	574,524	18 9/16 290,790	9/6	2½	
1914.											
Mar. qr.	140		139,326	13	192,981	27/8	135,195	19/4	57,786	8/4	2½
June qr.	140		151,950	13	212,032	27/10	144,964	19/0	67,068	8/10	2½
July	...	140	57,280	—	78,110	27/3	50,096	17/8	28,014	9/9	2½

After September 1913 the fixed charge for development was increased to 2s. 6d. per ton milled, in view of the small percentage payable for the time being and restriction of tonnage milled owing to shortage of labour.

Dividends—1913, June, 20; Dec., 12½ per cent.
1914, June, 12½ per cent.

City and Suburban.—£1,360,000, in £4 shares. Two tube mills. Yearly profit is exclusive of accumulated slimes revenue.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton £	Price end of Period 2d
1913 ... 151av.	336,663	9½	523,141	32/0	335,822	21/10 247,519	16/2 2½
1914.							
Mar. qr. 150	77,217	7½	139,322	36/1	77,761	20/1 61,561	16/0 2½
June qr. 155	82,150	—	150,124	36/7	87,718	21/4 62,746	15/3 2½
July ... 155	28,550	—	50,385	35/3	29,857	20/11 20,522	14/4 2½

Dividends—1913, June, 7½; Dec., 7½ per cent.
1914, June, 7½ per cent.

Geduld Proprietary.—The capital authorised is £1,000,000; issued, £875,000, in £1 shares. Plant has been enlarged to 60 stamps and five tubes, having a capacity of 24,000 tons a month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price	
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	end of	
			£	£	£	Period	
1913 ...	182,980	13½	257,268	22/1	226,533	24/9 30,735	3/4 1½

[Profit irrespective of some £6,800 miscellaneous revenue in 1913]

[Profit irrespective of some £8,800 miscellaneous revenue in 1913]

1914.							
Mar. qr. 53½	53,650	12½	87,066	32/5	64,373	23/11 22,693	8/8 1½
June qr. 50	59,740	—	90,411	31/10	67,388	23/9 23,023	8/1 1½
July ... 50	20,605	—	33,333	32/4	27,057	26/3 6,276	6/1 1

† The smallness of this figure is due to the heavy loss incurred during the strike; also to interference through extension of plant.

Herlot.—Issued capital £115,000, in £1 shares. One tube mill.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 70	70	133,123	19½	236,456	35/6	153,844	23/1 82,612 12/5 2½
1914.							
Mar. qr. 70	70	35,328	14	67,024	37/11	38,197	21/8 28,827 16/3 3
June qr. 70	70	39,200	—	72,012	36/9	41,074	21/0 30,938 15/9 2½
July ... 70	70	13,800	—	25,308	36/8	14,274	20/8 11,034 16/0 2½

Dividends—1913, May, 35; Nov., 35 per cent.
1914, May, 30 per cent.

Langlaagte Estate.—Capital £950,000; issued, 886,500 £1 shares. 200 stamps; five tubes.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of
		%	£	£	£	Period
1913	620,622	—	675,274	21/9	530,391	17/1 144,883 4/8 1
[Profits include estate, &c., revenue for 1913, £17,868.]						

[Profits include estate, &c., revenue for 1913, £17,983.]

1914.							
Mar. qr.	139,273	—	168,572	24/2	128,095	18/4 40,478	5/9 1½
June qr.	149,725	—	181,674	24/3	134,174	17/11 47,500	6/4 1
July ...	48,291	—	60,698	25/2	44,493	18/5 16,200	6/9 1½

Dividends—1913, June, 7½; Dec., 2½ per cent.
1914, June, 5 per cent.

Randfontein Central.—Capital, £4,500,000; issued, £4,193,700, in £1 shares. £3,000,000 of Six per Cent. Debentures, some of which were purchased in 1913. Plant: 1,000 stamps, 29 tube mills.

Year ends	Tons	Revenue		Expenses		Profit		Price
Dec. 31	Stps.	Milled	Amt.	Per ton	Amt.	Per ton	Amt.	Per ton
1913	800av.	2,533,043	3,103,166	24/8	2,182,032	17/3	921,134	7/3
1914								
Mar. qr.	870av.	546,753	653,735	23/10	483,517	17/8	170,218	6/2
June qr.	950	637,409	744,722	23/4	530,572	16/8	214,150	6/8
July.	950	227,047	258,723	22/9	186,723	16/5	72,000	6/4

Dividends—1912, Dec., 5 per cent. 1913, June, 7½ per cent.; Dec., 2½ per cent. 1914, June, nil.

Van Ryn Deep.—Developments in the June quarter added 5,600 tons to the ore reserves beyond the quantity used.



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A.D. 1720

Governer:
Sir Neville Lybbeck,
K.C.M.G.

Head Office.

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TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 12, 1914.

Issue Department.

Notes Issued	£50,692,215	Government Debt	£11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion	32,242,215
	£50,692,215		£50,692,215

Banking Department.

Proprietors' Capital	£14,553,000	Government Securities	£23,041,152
Reserve	3,582,615	Other Securities	70,786,596
Public Deposits	7,899,491	Notes	14,757,975
Other Deposits	83,326,113	Gold and Silver Coin	772,414
Seven-day and other Bills	8,888		
	£109,358,137		£109,358,137

Comparison with Four Previous Weeks.

[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.	Securities.	Re-serve.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	(Govt.)	%	%
July 15	29.3	40.0	13.3	42.5	11.0	33.8	29.2
— 22	29.3	40.2	13.7	42.2	11.0	33.6	29.3
— 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9
Aug. 5	36.1	27.6	11.5	56.7	11.0	65.3	9.9
— 12	35.9	33.0	7.9	83.3	23.0	70.8	15.5
* January 29, 1914.		† July 30, 1914.		‡ July 31, 1914.		§ August 8, 1914.	
§ August 1, 1914.		† August 6, 1914.		‡ August 8, 1914.		§ August 1, 1914.	

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
Aug. 6, Thursday ...	Nil.	Nil.
„ 7, Friday ...	1,000,000 India.† 1,000,000 India.† 2,155,000 U.S. coin. 90,000 Argentina. 447,000 Brazil. 874,000 bars.	12,500 Straits.*
„ 8, Saturday ...	602,000 bars. 145,000 Argentina. 438,000 bars.	Nil.
„ 10, Monday ...	2,195,000 U.S. coin. 32,000 bars.	12,500 Straits.*
„ 11, Tuesday ...	100,000 Argentina. 64,000 U.S. coin. 25,000 Uruguay. 172,000 bars.	17,500 Straits.*
„ 12, Wednesday ...	258,000 U.S. coin. 20,000 Brazil.	Nil.
Total for week ...	9,627,000	37,500
Net aggregate ...	[9,589,500 influx for week.]	
Aug. 13, Thursday ...	416,000 U.S. coin. 100,000 Argentina. 30,000 Uruguay. 144,000 bars.	Nil.
„ 14, Friday ...	531,000 U.S. coin. 18,000 Brazil.	Nil.

* Set aside Note Guarantee Fund.

† Released on account of India Paper

Currency Reserve. ‡ Released on account of India Gold Standard Reserve.

Gold.—From Messrs. PILEY & ABELL'S Circular, Aug. 13, 1914.

During the past fortnight about £1,550,000 has arrived, all of which will be sold to the Bank of England when required. The export of gold being prohibited, the Indian requirements remain unfilled. Since July 30 the Bank has received £2,653,000 in bar gold, £5,088,000 in United States gold coin, and £967,000 from South America in sovereigns. On the 7th inst. £1,000,000 was released from the Indian Paper Currency Reserve, and £1,000,000 from the Indian Gold Standard Reserve. £589,000 in sovereigns has been withdrawn for France, £572,000 for the Continent, £548,000 for Belgium, £80,000 for Malta, and £100,000 for Gibraltar, while £37,500 has been set aside for the Straits Settlements Note Guarantee Fund, Gold Portion. Changes in the Bank of England rate of discount since July 30 have been as follows: July 31, 8 per cent.; August 1, 10 per cent.; August 6, 6 per cent.; August 7, 5 per cent. Imports for fortnight: South Africa, £1,322,000; India, £127,000; West Africa, £45,000; Brazil, £27,000; South America, £15,000; China, £4,000.—Total, £1,540,000. Exports: Aden, £1,000; Bombay, £133,000.—Total, £134,000.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation	£29.0	£29.9	£29.5	£29.6	£35.9
Public Deposits	6.1	7.8	16.5	9.3	7.9
Private Deposits	41.4	43.3	43.3	42.2	83.3
Government Securities	14.2	15.0	13.9	12.4	23.0
Other Securities	27.0	25.6	34.1	27.2	70.8
Reserve	24.4	23.6	29.8	29.9	15.5
Ratio to Liabilities	51.3	55.91	49.82	58.07	17
Bullion (both Departments)	35.0	40.1	40.9	41.1	33.0
Money:					
Bank of England Rate	3%	3%	3%	4%	5%
Bank of France Rate	3%	3%	3%	4%	6%
Rate 3 months' Bills London ...	3%	2½%	3½%	3½—4%	5½—6½n.
Exchanges:					
Paris Cheque	25 26	25 26½	25 27	25 25½	—
Hamburg 8 days	20 47	20 48½	20 47	20 45½	—
New York 60 days	4 85½	4 83-65	4 84-25	4 83-15	nom.
Bombay Telegraphic Transfers	1/4	1/4	1/4½	1/3½	—
Prices:					
Consols 2½ % Cash	88	78½	75½	75½	69½
French Rent 3 % Money	98 15	94 72	92 45	88 45	—
Silver, London spot	—	—	—	—	—
Wheat, <i>Gazette</i> average	28/8	31/6	39/2	34/1	34/9
Cotton, <i>Middle</i> Upland	-16/10	-16/73	-16/80	-16/41	-6/50
Iron, Scotch pig	52/3n.	53/7½	67/6	63/0	57/3

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.	Other Securi- ties.
	Gold.	Silver.	Total.		
July 7, '14 ...	£2,119	£2,047	£4,166	£8,310	£94,054
July 15, '14 ...	£1,988	£2,068	£4,056	£7,934	£90,517
July 23, '14 ...	£1,578	£2,141	£3,719	£7,772	£88,740
July 23, '13 ...	£5,079	£10,794	£15,873	£9,305	£90,527
July 23, '12 ...	£1,831	£2,272	£4,103	£5,082	£87,878
BELGIUM.					
	Gold.	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.
July 23, 1914...	£10,465	£2,763	£13,228	£26,155	£39,056
July 30, 1914...	10,468	2,241	12,707	33,483	44,766
Aug. 8, 1914...	10,977	633	11,610	41,925	51,800
Aug. 7, 1913...	3,453	2,770	12,223	27,835	39,460
Aug. 8, 1912...	8,076	2,699	10,775	25,865	37,108
DENMARK.					
	Coin and Bullion.	Discounts.	Balance Abroad.	Securi- ties.	Circula- tion.
May 30, 1914 ...	£4,557	£4,915	£1,339	£602	£8,737
June 30, 1914 ...	4,565	5,309	1,102	602	8,679
July 31, 1914 ...	4,352	6,197	766	588	8,693
July 31, 1913 ...	4,153	4,778	1,181	508	8,193
July 31, 1912 ...	4,239	4,589	808	532	7,792
FRANCE.					
	Gold.	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.
July 16, 1914...	£163,707	£26,407	£190,114	£64,632	£241,787
July 23, 1914...	184,176	25,584	189,760	61,643	236,476
July 30, 1914...	185,654	25,013	190,667	97,768	267,327
July 31, 1913...	134,489	25,095	159,584	73,616	227,073
Aug. 1, 1912...	131,487	32,071	163,558	51,649	209,587
GERMANY.					
	Gold.	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.
July 7, '14...	£85,555	£15,737	£81,292	£51,804	£109,815
July 15, '14...	67,204	16,238	83,442	43,368	99,728
July 23, '14...	67,843	18,727	84,570	40,055	94,545
July 23, '13...	57,835	14,852	72,687	51,965	91,300
July 23, '12...	48,954	17,514	66,468	53,869	84,261
HOLLAND.					
	Gold.	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.
July 25, 1914 ...	£13,509	£886	£14,195	£7,345	£5,140
Aug. 1, 1914 ...	13,496	249	13,745	13,422	10,332
Aug. 8, 1914 ...	13,493	53	13,552	16,005	11,679
Aug. 8, 1913 ...	12,274	677	12,951	5,990	6,777
Aug. 10, 1912 ...	11,998	892	12,890	6,714	6,285
ITALY.					
	Cash.	Inland Bills.	Foreign Bills.	Ad- vances.	Securi- ties.
June 10, '14 ...	£48,787	£16,091	£3,291	£3,057	£8,289
June 20, '14 ...	48,600	16,993	3,303	2,425	8,327
June 30, '14 ...	48,283	18,967	3,346	4,027	8,153
June 30, '13 ...	49,838	18,628	2,837	4,111	6,222
June 30, '12 ...	48,137	19,524	2,804	5,755	8,062
N.YORK BANKS.					
	Loans & Discounts.	Specie.	L. Tend.	Total.	Legal Net Deposits.
July 18, '14...	£286,310	£61,956	£14,700	£78,658	£294,234
July 25, '14...	286,158	63,806	14,892	78,700	296,734
Aug. 1, '14...	285,140	59,994	14,818	74,810	290,916
Aug. 2, '13...	270,992	59,182	14,888	74,068	273,980
Aug. 3, '12...	277,884	68,984	18,332	75,318	285,844
N.YORK TRUST COS.					
	Loans & Discounts.	Specie.	L. Tend.	On Dep. with O.H. Members.	Total.
July 18, '14 ...	£127,702	£13,149	£1,311	£12,967	£27,427
July 25, '14 ...	125,540	13,206	1,410	12,954	27,570
Aug. 1, '14 ...	128,098	12,693	1,395	12,219	26,297
Aug. 2, '13 ...	112,666	11,292	1,312	14,470	27,074
Aug. 3, '12 ...	130,191	13,277	1,371	14,427	29,075
NORWAY.					
	Gold.	Balance Abroad.	Swed. & For. Govt Secs.	Discounts & Loans.	Circula- tion.
July 22, 1914...	£2,892	£1,812	£496	£4,367	£8,658
July 31, 1914...	2,960	1,878	493	4,868	6,752
Aug. 7, 1914...	3,091	1,557	496	6,488	8,369
Aug. 7, 1913...	2,446	1,778	503	4,041	5,943
Aug. 7, 1912...	2,253	1,197	518	3,736	5,291
RUSSIA.					
	Gold.	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.
July 6, '14...	£173,999	£7,238	£181,235	£16,548	£75,434
July 14, '14...	174,351	7,339	181,690	18,653	77,425
July 21, '14...	174,509	7,322	181,892	18,461	76,061
July 21, '13...	181,019	7,768	188,785	22,358	75,574
July 21, '12...	152,838	8,038	160,876	32,166	66,104
SPAIN.					
	Gold.	Cash.	Ad- vances.	Notes & Cir- culation.	Above— beneath— legal max.
July 24, 1914...	£21,739	£29,191	£50,930	£40,100	£13,778
Aug. 1, '14...	21,804	29,187	50,951	40,572	13,778
Aug. 8, '14...	21,811	27,937	49,748	44,320	13,778
Aug. 9, '13...	18,449	29,667	48,116	40,008	13,778
Aug. 10, '12...	17,073	29,960	47,033	39,816	13,778
SWEDEN.					
	Gold.	Balance Abroad.	Swed. & For. Govt Secs.	Discounts & Loans.	Circula- tion.
July 18, '14 ...	£5,878	£8,410	£1,556	£5,361	£11,753
July 25, '14 ...	5,878	6,420	1,556	5,138	11,466
Aug. 1, '14 ...	5,717	6,150	1,555	7,495	13,432
Aug. 2, '13 ...	5,702	3,613	1,264	7,603	11,692
Aug. 3, '12 ...	5,353	5,777	1,315	5,421	11,178

SWITZERLAND.	CASH.			DISCOUNTS & ADVANCES.	CIRCULATION.	DEPOSITS.
	Gold.	Silver.	Total.			
July 7, 1914...	7,054	£883	£7,717	£5,111	£11,093	£1,848
July 15, 1914...	7,070	720	7,790	4,901	10,859	1,850
July 23, 1914...	7,292	753	7,990	4,617	10,716	2,026
July 23, 1913...	6,767	1,259	8,028	4,681	10,431	2,105
July 23, 1912...	6,731	554	7,285	5,057	10,433	1,709

II.—FOREIGN RATES OF DISCOUNT.

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
Aug. 13, 1914	8%	6%	8%	7%	6%
Aug. 14, 1913	4%	6%	5%	5%	6%
Aug. 1, '14	Aug. 1, '14	Aug. 1, '14	Aug. 3, '14	Aug. 3, '14	Aug. 3, '14
Oct. 31, '13	Nov. 1, '13	June 25, '13	Oct. 18, '12	Nov. 15, '12	

Comparison of Market Rates.

Date.	Paris.	Berlin.	New York.	Amsterdam.	Brussels.	Vienna.
July 18, '14	28-23 1/2	24 1/2	3 1/2-4 1/2	2 1/2	3 1/2	3 1/2
July 23, '14	28-22 1/2	24 1/2	4-5	2 1/2	3 1/2	3 1/2
July 30, '14	3 1/2	4	5-5 1/2	2 1/2	3 1/2	3 1/2
Aug. 7, '14	3 1/2	4	5-5 1/2	2 1/2	3 1/2	3 1/2
Aug. 14, '13	3 1/2	5	6-6 1/2	2 1/2	4 1/2	5 1/2

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—	July 30, '14	July 2, '14	July 16, '14	Aug. 14, '13
Amsterdam	Cheques	12d. 3/4	12d. 2 1/2	12d. 2 1/2
Antwerp	3 months	25f. 65c.	25f. 52 1/2	25f. 75 1/2
Berlin	do.	20m. 67 1/2	20m. 65 1/2	20m. 75 1/2
Genoa	do.	25f. 85c.	25f. 68 1/2	25f. 22 1/2
Hamburg	do.	20m. 67 1/2	20m. 65 1/2	20m. 75 1/2
Lisbon	do.	45d.	45 1/2	44 1/2
Madrid	do.	45d.	45 1/2	43 1/2
Paris	Cheques	24f. 92 1/2	25f. 1 1/2	25f. 25c.
St. Petersburg	5 months	25f. 38 1/2	25f. 38 1/2	25f. 52 1/2
Vienna	do.	24k. 50c.	24k. 43c.	24k. 59c.

Foreign Rates of Exchange on London, &c.

	July 29, '14	July 2, '14	July 16, '14	Aug. 14, '13
Alexandria	Sight	77 1/2	77 1/2	97 1/2
Amsterdam	Sight	12d. 15 1/2	12d. 14 1/2	12d. 14 1/2
Berlin	Sight	20m. 67 1/2	20m. 65 1/2	20m. 45 1/2
Brussels	Cheques	25f. 12 1/2	25f. 29 1/2	25f. 39 1/2
Buenos Ayres	90 days	48 1/2	47 1/2	47 1/2
Calcutta	Telegraph	1s. 3 1/2	1s. 3 1/2	1s. 4 1/2
Constantinople	Bank 3m.	110 05	110 05	109 35
Hamburg	8 days	20m. 60 1/2	20m. 48 1/2	20m. 43 1/2
Hong Kong	Transfers	1s. 9 1/2	1s. 10 1/2	1s. 11 1/2
Italy	Sight	26f. 30c.	25f. 33c.	25f. 90c.
Japan	Transfers	2s. 0 1/2	2s. 0 1/2	2s. 0 1/2
Madrid	Sight	26f. 02	26f. 12	26f. 11
Mexico	Gold prem.	3 0 1/2	3 1/4	8 1/2
Montevideo	Sight	17 1/2	17 1/2	18 1/2
New York	80 days	61 1/2	61 1/2	51 1/2
Paris	Sight	\$4 93.45c.	\$4 88.10c.	\$4 86.47c.
St. Petersburg	60 days	nom.	\$4 85.75c.	\$4 83.15c.
Shanghai	Cables	\$4 89.50c.	\$4 88.85c.	\$4 86.80c.
Soerabaya	Cheques	\$4 95c.	\$4 87.50c.	\$4 86.80c.
St. Paul	90 days	15 1/2	15 1/2	14 1/2
Shanghai	3 months	nom.	\$5.10	\$4.01
Singapore	Transfers	2s. 3 1/2	2s. 5 1/2	2s. 8 1/2
Sourabaya	Transfers	2s. 3 1/2	2s. 3 1/2	2s. 4 1/2
Valparaiso	90 days	9 1/2	9 1/2	9 1/2
Vienna	Short	24k. 55c.	24k. 52 1/2	24k. 17 1/2
Bar Gold, standard, per oz.		77s. 9d.	77s. 9d.	77s. 9d.
U. S. Gold coin, do.		78s. 4d.	78s. 4d.	78s. 4d.
Bar Silver (\$25) do.		23 1/2	24 1/2	27 1/2
Mexican Dollars do.		27d. nom.	27d. nom.	27d. nom.

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Ino. or Den.	1914 Avg.	Ino. or Dec.
BIRMINGHAM...	1914.	£	£	£	%
Bristol	Aug. 8	1,286,179	+ 283,033	50,307,884	+ 2,758,166
DUBLIN	" 8	479,000	- 11,000	23,030,000	+ 1,105,000
LONDON	" 8	2,658,800	- 558,000	105,380,700	- 3,538,800
LEEDS	" 8	352,805	- 18,754	18,482,345	- 290,075
LIVERPOOL	" 8	214,310	+ 45,671	9,847,880	+ 447,897
LIVERPOOL	" 8	2,470,982	- 1,131,475	151,835,192	+ 4,979,800
MANCHESTER	" 8	6,127,911	- 1,705,345	220,298,300	- 8,855,637
NEWCASTLE	" 8	819,590	- 357,700	37,377,350	- 1,229,890
NOTTINGHAM	" 8	335,001	+ 18,720	12,170,121	+ 868,740
SHEFFIELD	" 8	451,525	+ 8,493	18,750,175	+ 451,839
TOTAL	" 8	14,175,813	- 3,443,527	843,276,047	- 2,258,828
WEEKLY AVER.	1914	20,102,439	- 70,592		- 0.3
WEEKLY AVER.	1913	19,995,571	+ 1,024,089		+ 5.8
WEEKLY AVER.	1912	18,978,380	+ 846,927		+ 3.3
WEEKLY AVER.	1911	18,042,970	+ 648,716		+ 6.1

LONDON—	1914.	1913.	1912.	1911.
TOWN	Aug. 12	131,395	109,782	90,599
METROPOLITAN	" 12	19,787	4,040	554,848
COUNTRY	" 12	36,125	8,347	868,834
TOTAL	" 12	167,317	122,169	1,320,281

The following special items are included in the London clearing:—

STOCK EXCHANGE SETTLING DATES.			CONSOLS SETTLING DATES.			"FOURTH" OF THE MONTHS.		
1914.	£	+ or -	1914	£	+ or -	1914	£	+ or -
June 28	84,137	- 4,269	May 8	53,873	- 2,090	May 4	61,857	+ 6,182
July 10	93,835	+ 18,329	June 2	74,323	+ 2,023	June 4	45,555	- 11,107
July 29	102,328	+ 15,032	July 1	97,331	+ 22,527	July 4	65,373	+ 9,450
1914 avg.	1,323,914	+ 55,015		515,589	+ 59,034		417,203	+ 37,582

* Compared with a year ago.

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	AUGUST 15.	1914.*	1913.	1912.
METALS.				
Iron—Scottish pig warrant	ton	67/3	83/0	67/8
—Middlebrook warrant	ton	53/0	55/1	81/0
—Hematite warrant	ton	61/0	89/9	76/4 1/2
—Staffordshire bars, London	ton	£3 10	£3 10	£7 15-23
—Common bars	ton	£8 10	£3 10-£9	£7 10-23
—Stock, Scotch, Aug. 13	tons	1,000	1,065	1,000
—Middlebrook	tons	67/33	191/54	293/800
—Warrant hematite	tons	Nil	20/37	347/000
Steel Rails	ton	£5 15	£8 12/6	£8 7/8
Copper—Standard	ton	£50 10	£80 17/6-£70 2/8	£78 5-£78 7/8
—Stock, Europe and Asia	tons	26/870	28/142	44/938
Tin—English fagots	ton	£144	£194	£211-£211 10
—Strait	ton	£139 10	£183 15	£203-203 5
—Tinplate—Cathode L.O.	box	13 0	13 0	15/3-15/8
Lead—Soft Foreign	ton	£23	£20-£20 1/2	£19 8/9-£19 10
Spelter—Ord. Foreign	ton	£23 7/8	£20 17/8	£26 10-£26 12/6
—Bleached Ordinary	ton	£21 7/8	£20 11/3	£25 17/8
Quicksilver—(75 lb.)	bottle	£8 15	£7 5	£8-£8 5
Aluminum	ton	£22-£24	£28-£28	£27-£28
Antimony—Regulus	ton	£26-£28	£28-£31 10	£27 10-£28
Coal—Best London	ton	90 0	21/8	20 0
—Steam (best) Newcastle	ton	15/8	15/8	15 0
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical wgt.	ton	12/6	11/0	11/4 1/2
Soda—Crystals ex ship	ton	nom.	£2 2/8-£2 5	£2 2/8-£2 5
Dyes—Coch. Tensite Silver	lb.	1/10-2/0	1/10-2/0	1/9-2/0
Indigo—Bengal good to fine	lb.	3/2-3/8	3/0-3/8	3/2-3/8
—Stock, July 31	cheats	619	1,597	1,811
Linseed Oil—spot	ton	£26	£26 5-£26 15	£23
Linseed—Aug. Sept.	410lb.	£2/3	49/0	61/8
Olive Oil—Spain	ton	£48-£50	£48-£49	£48-£49
Palm Oil—Lagos	ton	£31 10	£37 10	£32 10
Petroleum—American	gallon	7/1	7/1	7/1
Race Oil—Refined English	ton	£32	£32 10	£34
Tallow—Ref. Town	cwt.	31/3	35/9	32/6
—Stock, July 31	casks	11,433	17,331	11,719
Turpentine—Amer. Spirit	cwt.	37/3	28 3	32/3
Rape Seed—Owens brown 418lb.	ton	£50 0	49 0	51 0
Rubber—Para. spot	lb.	2/10 1/2	3/10 1/2	5/0 1/2
—Plantation	lb.	2/14	2/9 1/2	4/9 1/2
—World's Stock, June	tons	12,889	8,757	7,179
TEXTILES.				
Cotton—Mid. Upland	lb.	16 50	16 1/4	16 800
—Egyptian good fair	lb.	18 55	19 05	18 1/2
—Pernambuco, fair	lb.	17 23	18 58	17 4 1/2
—Mid. Upl. N. York	lb.	11 90	11 90	12 000
—Stock, Liverpool, Aug. 7	bales	874,410	702,150	721,300
Flax—St. Petersburg Yarnopol	ton	nom.	£32 10	£32 10
Hemp—New Zealand	ton	nom.	£32	£24 5
—Manila, fair	ton	nom.	£31 10	£24
Jute—First Marks	ton	£3 10	£31 12/6	£23 12/8
—Red SOC	ton	£31 10	£29 5	£29 5
Silk—Blue Elephant	lb.	11/8-11/8	10/8-11/0	10/8-10/9
Wool—Prt. Philippines	aw. lb.	11/1-11/0	11/1-11/0	11/1-11/0
FOODSTUFFS, &c.				
Wheat—Vlasop, U.S. Aug. 4 bas.	24,231,000	42,437,000	19,413,000	10,310
—Red, price, N. Y. 60lb. bushel	93 1/2	85 1/2	103 1/2	92 1/2
—Gallies, aver. price, 480lb. qr.	34/9	34 1/2	39 1/2	39 1/2
Flour—London, White's Mill 280lb.	38/8	33 0	39 1/2	39 1/2
Barley—Glasgow, aver. price 400lb. qr.	25/2	24 9	31 7	31 7
Hops—Regill	cwt.	£8 5-£7	£5 10-£8 10	£10 15-£11
Oats—Glasgow, aver. price 32lb. qr.	19 1	19 0	21 4	21 4
Hay—Best	2,016lb. load	87/0-87/0	95/0-103/0	105/0-115/4
Malze—N. Y. (New bushel) 56lb.	11,021	8,193	8,193	8,193
Rice—Immortals since Jan. 1	tons	8,573	10,521	5,283
—Deliveries do.	tons	7,183	5,033	4,318
—Stock	tons	6,704	7,710	10,618
—Price, Basella	cwt.	84/0-90/0	75/0-85/0	75/0-85/0
Bacon—Irish	cwt.	149/0-150/0	120/0-123/0	123/0-130/0
Butter, Danish	cwt.	60/0-61/0	72/0-74/0	71/0-75/0
Cocoa, Trin. mid. to fine red	cwt.	59/0-60/0	67/0-71/0	63/0-64/0
—Grenada, good to fine	cwt.	59/0-60/0	67/0-71/0	63/0-64/0
Coffee—Imports since Jan. 1	tons	38,803	29,013	23,191
—Home consumption do.	tons	9,925	9,852	10,831
—Exports do.	tons	18,334	11,513	10,010
—Stock	tons	21,797	18,195	13,333
—Price Costa Rica rd to fine	cwt.	80/0-93/0	80/0-85/0	84/0-102/8
—Brazil (Santos)	cwt.	38/0	41/6	57/8
Sugar—Impts. since Jan. 1	tons	476,377	579,353	475,718
—Deliveries do.	tons	494,732	615,247	493,997
—Stock	tons	95,559	139,995	89,831
—Price Java, 99% Off Coast	cwt.	nom.	10/000m.	11/8-12/0
—Beet, 88%, July	cwt.	8/54	9/44	11/12
—French leaves, Say's	lb.	14/3	14/3	17/9
Tea—Imports	for 6 mths. lb.	157,824,299	144,035,254	143,201,939
—Home consumption do.	lb.	183,734,789	175,810,063	183,173,273
—Exports do.	lb.	30,472,999	31,763,732	25,781,107
—Stock, July 31	lb.	80,087,000	72,655,000	73,237,000
—Price, Indian, Pek. Song, good lb.	8/4	8/4	8/4	8/4
—Ceylon, Pek. Song, Ord. lb.	8/4	8/4	8/4	8/4

* It is not possible in all cases to obtain current prices. Quotations given are the latest available.

VII.—TRAMWAY AND OMNIBUS TRAFFIC RETURNS.

NAME OF CO.	WEEKLY	AMOUNT	INCREASE	PERCENT	WEEKLY	AMOUNT	PERCENT
Anglo-Ara.	Aug. 5	329	£ 54,377	921	31	1,723,230	2,833
Amsterdam	June 5	254	£ 20,819	912	48	247,311	6,331
Brazilian Tram.	M. of May	30	£ 249,434	857	51	2,009,090	29,046
Brisbane Elec.	M. of June	30	£ 28,590	3,577	61	163,975	17,977
Bristol	Aug. 7	31	£ 12,093	283	32	271,838	27,563
Brit. Colon.	M. of May	185	£ 878,314	23,677	111	8,128,904	317,356
Brit. E. Fed.	July 31	31	£ 53,648	493	31	1,719,335	54,911
B. A. Laroze	M. of June	611	£ 44,133	61	121	531,566	5,981
Calcutta	Aug. 7	351	£ 89,317	3,783	32	21,512,713	1,227,877
Cape Electric	M. of June	38	£ 15,954	1,128	121	900,392	13,141
Carth. & Herr.	M. of July	12	£ 1,687	2,227	71	15,363	5,781
Cork Electric	July 30	81	£ 1,030	16	31	31,191	2,661
Dublin United	Aug. 7	542	£ 8,655	631	32	181,451	4,071
Gasless B'na	Aug. 6	...	£ 378	258	32	14,977	6,931
Havana Elec.	July 19	51	£ 55,076	383	29	1,558,128	1,731
Isle of Thos.	Aug. 8	204	£ 1,937	490	45	25,898	6,691
Kalgoorlie	M. of June	204	£ 2,891	181	61	18,522	1,701
Leamkable	July 30	224	£ 1,537	7	31	67,581	7,561
London C.O.	Aug. 5	1451	£ 16,199	2,914	18	605,952	36,901
" Gen.Om.	Aug. 1	...	£ 71,625	3,055	31	1,983,031	64,391
" United.	Aug. 7	551	£ 8,047	1,335	32	193,117	5,591
Madras Elec.	July 31	...	£ 29,911	2,411	80	4,07,769	32,531
Manila	M. of June	...	£ 133,501	1,003	61	833,569	14,511
Metropolitan	Aug. 7	551	£ 10,415	613	32	292,499	6,271
M. E. T. B'na	Aug. 8	...	£ 8,848	87	32	296,674	164,531
Mexico Elec.	M. of June	100	£ 592,453	3,633	61	3,350,545	285,001
Nat. Steam Co.	M. of July	183	£ 20,857	6,058	91	163,345	85,551
Potteries Elec.	July 24	10	£ 2,099	27	30	61,925	2,011
Provincial	Aug. 8	11	£ 3,178	693	45	85,997	3,811
Rangoon Elec.	M. of June	25	£ 4,997	193	61	32,334	98
South Met.	Aug. 7	...	£ 1,272	53	32	35,112	8,631
U. of M'viedo	d. of July	97	£ 26,417	2,772	81	28,663	3,931
Yorks. W. R.	Aug. 9	76	£ 1,687	403	32	48,917	...

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS, 17 HOME RAILS, 31 WEEKS TO AUG. 2.

[In £'s sterling 00's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks + or -	31 Wks + or -	31 Wks + or -	31 Wks + or -	31 Wks + or -	31 Wks + or -
Caledonian	1,149	—	£1,226	+ 33	£1,758	+ 58	£3,024	+ 25
Glasgow & S.W.	471	—	555	+ 10	619	+ 23	1,174	+ 13
Great Central	663	+ 1	770	+ 29	2,112	+ 110	2,882	+ 81
Great Eastern	1,207	—	1,852	+ 1	1,630	+ 3	3,382	+ 2
Great Northern	1,032	—	1,605	+ 7	2,302	+ 17	3,907	+ 10
Gt. S. & W. (Ireland) ..	1,130	—	442	+ 4	480	+ 23	902	+ 27
Great Western	2,984	+ 18	4,255	+ 90	4,701	+ 12	8,958	+ 102
Lanc. & Yorkshire	600	+ 3	1,678	+ 4	2,024	+ 118	3,706	+ 115
London & N.W.	2,034	+ 1	4,217	+ 60	5,150	+ 161	9,367	+ 101
London & S.W.	884	—	2,061	+ 5	995	+ 7	3,056	+ 12
Lon., Brighton & S.C.	487	—	1,516	+ 4	603	+ 1	2,019	+ 5
Midland	1,584	—	2,878	+ 40	5,289	+ 124	8,167	+ 84
North British	1,375	—	1,178	+ 20	2,843	+ 43	3,019	+ 23
North-Eastern	1,753	+ 2	2,270	+ 66	4,219	+ 149	6,489	+ 83
North London	16	—	98	+ 10	144	+ 6	242	+ 16
S.E. & Chatham Rys.	654	—	2,239	+ 1	695	+ 8	2,894	+ 7
Total for 31 weeks '14	18,128	+ 25	28,936	+ 336	34,344	+ 814	63,280	+ 478
Total for 31 weeks '13	17,916	+ 44	28,209	+ 1,702	34,361	+ 3,724	63,070	+ 6,426
31st wk. to Aug. 2, '14	18,128	+ 25	1,858	+ 19	1,121	+ 30	2,779	+ 49
31st wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 88	1,140	+ 3	2,795	+ 85

HOME.	Week to	Miles	+ or -	Gross	+ or -	Wks	+ or -	Total.
Barry	68	—	31	£510,174	—	5,753	—	—
Brec. & Mer.	61	—	31	86,928	—	142	—	—
Caledonian	1,149	—	31	3,024,000	—	25,000	—	—
Cambrian	300	—	31	193,872	—	2,300	—	—
Central Lond.	7	—	31	153,118	—	2,378	—	—
City & S. Lond.	7	—	31	82,703	—	5,243	—	—
Furness	139	—	31	323,501	—	16,834	—	—
Glas. & S.W.	471	—	31	1,174,200	—	12,600	—	—
Gt. Central	811	+ 1	31	3,449,600	—	83,500	—	—
Gt. Eastern	1,207	—	31	3,382,200	—	2,700	—	—
Gt. N. of Scot.	336	—	31	316,640	—	7,230	—	—
Gt. Northern	1,032	—	31	3,907,300	—	10,000	—	—
Gt. N. (Ira.)	Aug. 7	561	—	702,930	—	5,615	—	—
Gt. S. & W. (Ira.) ..	Aug. 7	1,130	—	937,405	—	26,850	—	—
Gt. Western	2,984	+ 18	31	8,958,000	—	102,000	—	—
Highland	492	—	31	348,876	—	12,237	—	—
Hull & Barnsley	90	—	31	433,841	—	46,319	—	—
Lanc. & York.	600	+ 3	31	3,700,350	—	114,600	—	—
London & N.W.	2,034	+ 1	31	9,367,000	—	101,000	—	—
London & S.W.	884	—	31	2,058,400	—	11,700	—	—
London, Brighton & S.C.	487	—	31	2,019,433	—	5,786	—	—
London Electric	21	—	31	42,635	—	1,900	—	—
Mary. & Car.	42	—	31	80,402	—	11,331	—	—
Mersey	4	—	31	69,071	—	289	—	—
Metropolitan	82	—	31	568,061	—	42,280	—	—
Met. District	25	—	31	406,451	—	353	—	—
Midland	1,584	—	31	8,167,000	—	84,000	—	—
Mid. Gt. W. (Ira.) ..	Aug. 7	538	—	387,553	—	7,813	—	—
N. British	1,375	—	31	3,019,600	—	22,500	—	—
N. Eastern	1,753	+ 2	31	4,489,000	—	83,000	—	—
N. London	16	—	31	242,395	—	18,433	—	—
N. Staffordshire	207	—	31	620,180	—	17,970	—	—
Port Talbot	36	—	31	97,277	—	3,692	—	—
Rhond. & Swan.	31	—	31	77,775	—	2,351	—	—
Rhymney	30	—	31	228,812	—	8,715	—	—
S.E. & Chatham	654	—	31	2,994,346	—	6,897	—	—
Taff Vale	124	—	31	644,099	—	9,580	—	—

INDIAN.								
Assam Bengal	July 4	851	+ 46	1,335,500	+ 29,226	14	17,48,683	+ 2,73,167
Bengal & N.W.	July 4	2,028	—	3,70,800	+ 13,128	14	61,93,558	+ 2,54,961
Beng. Nagpur	July 4	2,678	+ 107	7,58,000	+ 83,000	14	1,11,75,000	+ 2,29,000
Bomb. Baroda	July 25	2,827	+ 53	8,56,000	+ 97,000	17	2,09,61,000	+ 1,18,000
Burma	July 4	1,342	—	4,04,383	+ 80,562	14	64,02,556	+ 6,38,085
East Indian	Aug. 8	2,720	+ 11	17,90,000	+ 318,000	19	3,88,60,000	+ 84,900
Gt. Indian Pen.	Aug. 1	2,965	—	10,63,500	+ 2,94,900	18	2,90,48,014	+ 89,193
Madras & S.M.	July 11	3,132	—	8,60,000	+ 30,788	15	1,37,57,388	+ 7,72,661
Nizam's Guar.	July 4	797	—	1,35,907	+ 41,008	14	32,64,885	+ 3,03,003
South Indian	July 11	1,752	+ 3	5,84,409	+ 9,432	15	87,22,105	+ 4,04,450
S. South. Punjab ..	M. of Mar.	790	—	7,74,000	+ 2,24,322	6	42,09,361	+ 8,95,493

COLONIAL.								
Can. Northern	Aug. 7	4,670	+ 354	\$354,400	+ 64,300	5	1,948,700	+ 386,800
Can. Pacific	Aug. 7	12,227	+ 586	2,236,000	+ 345,000	5	12,277,000	+ 1,858,000
Gd. Trk. Pacific	Aug. 7	1,104	—	221,105	+ 3,473	5	109,350	+ 21,913
Grand Trunk	Aug. 7	4,008	—	186,518	+ 9,542	5	988,177	+ 73,451
Grd. Trunk W.	Aug. 7	336	—	30,596	+ 206	5	156,028	+ 4,268
Det. Grd. Ha.	Aug. 7	189	—	10,315	+ 549	5	55,904	+ 3,561
Mashonaland	M. of June	751	—	58,023	+ 18,569	9	546,118	+ 59,756
New Cape Cent.	July 18	205	—	1,553	+ 372	29	54,419	+ 3,951
Rhodesia Rlys.	M. of June	1,397	—	80,368	+ 6,078	9	722,704	+ 63,711

FOREIGN.								
Antofagasta	Aug. 9	819	+ 25	£ 31,270	+ 4,510	32	1,133,984	+ 1,708
Arg. N. East	Aug. 7	687	+ 2	£ 5,125	+ 1,377	6	29,000	+ 12,424
Arg. Transand.	Aug. 8	111	—	£ 270	+ 1,080	6	1,880	+ 4,310
Brazil	M. of June	3,362	+ 99	£ 202,467	+ 13,684	6	1,302,333	+ 59,151
Paulista	M. of June	715	—	£ 116,867	+ 30,794	6	732,000	+ 92,934
Mogiana	M. of June	1,084	+ 24	£ 127,200	+ 63	6	644,333	+ 14,102
Mid. Mamore	M. of June	226	—	£ 12,733	+ 20,022	6	121,666	+ 86,851
B.A. & Pacific	Aug. 8	3,518	+ 101	£ 76,000	+ 18,000	6	417,000	+ 96,000
B.A. Central	M. of May	190	+ 25	£ 17,800	+ 7,500	11	267,989	+ 22,374
B.A. Gt. So.	Aug. 9	3,729	+ 147	£ 76,000	+ 15,000	6	451,941	+ 93,964
B.A. Western	Aug. 9	1,792	+ 11	£ 38,000	+ 10,000	6	227,000	+ 47,000
Cent. Argentine	Aug. 8	3,262	+ 205	£ 84,000	+ 47,000	6	591,000	+ 173,900
Cent. Uruguay	Aug. 8	271	—	£ 9,881	+ 963	6	51,836	+ 17,003
„ (E. Ext.)	Aug. 8	311	—	£ 2,540	+ 581	6	15,194	+ 4,183
„ (N. Ext.)	Aug. 8	185	—	£ 1,425	+ 1,324	6	9,074	+ 6,577
„ (W. Ext.)	Aug. 8	211	—	£ 1,218	+ 42	6	6,808	+ 1,790
Oord. Central	Aug. 8	1,186	—	£ 37,165	+ 12,565	6	210,685	+ 63,450
Cuban Central	Aug. 8	345	+ 8	£ 6,745	+ 103	6	37,496	+ 79
Egyptian Delta	Aug. 20	624	+ 1	£ 6,102	+ 96	16	64,871	+ 1,383
Entre Rios	Aug. 8	730	—	£ 8,100	+ 2,000	6	47,500	+ 13,000
Gt. W. of Brazil	Aug. 8	1,010	+ 8	£ 6,400	+ 2,900	32	418,800	+ 10,900
La Guaira & Ca.	M. of June	23	—	£ 8,000	+ 6	6	59,500	+ 1,000
Leopoldina	Aug. 1	1,752	+ 51	£ 34,736	+ 4,425	31	987,783	+ 15,072
Manila North	Aug. 8	325	+ 21	£ 4,875	+ 1,001	32	215,216	+ 9,820
„ South	Aug. 8	189	+ 14	£ 3,232	+ 278	32	111,560	+ 5,739
Mid Uruguay	M. of July	319	—	£ 8,596	+ 30	1	—	—
Mitrate (2 wks.)	July 31	366	—	£ 31,282	+ 1,780	30	416,736	+ 18,707
N.W. Uruguay	M. of July	113	—	£ 20,500	+ 5,611	30	—	—
Ottoman	Aug. 8	379	—	£ 8,645	+ 915	6	40,336	+ 4,359
Paraguay Cent.	Aug. 8	255	+ 23	£ 2,180	+ 770	6	13,450	+ 6,320
Peruvian Corp.	M. of June	1,059	—	£ 100,348	+ 18,999	12	12,530,954	+ 880,296
Puerto Cabello	Aug. 24	—	—	£ 3,250	+ 500	6	24,500	+ 500
Salvador	Aug. 8	100	—	£ 19,750	+ 1,500	6	115,500	+ 2,350
San Paulo	Aug. 2	154	—	£ 38,789	+ 16,181	5	184,477	+ 44,809
Tal.	M. of July	184	—	£ 24,548	+ 240	1	—	—
U. of Havana	Aug. 8	681	+ 9	£ 20,315	+ 688	6	111,150	+ 3,974
Urug. E. Coast	June 13	73	—	£ 638	+ 158	50	35,539	+ 3,871
Urug. Northern	M. of July	73	—	£ 1,489	+ 735	1	—	—
W. of Havana	Aug. 8	147	—	£ 6,202	+ 101	6	33,527	+ 1,627
Yafa & Hiva	M. of June	112	—	£ 13,119	+ 1,133	6	85,826	+ 5,498

GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Name.	Period.	Gross.	+ or -	Net.	+ or -
Alabama Gt. Southern	June 12 mos.	\$428,000	+ \$1,000	\$58,000	+ \$32,000
Atchison, Top. & S.Fe.	June 12 mos.	6,385,000	+ 153,000	1,158,000	+ 253,000
Atlantic Coast Line	June 12 mos.	9,271,000	+ 851,000	2,675,000	+ 196,000
Baltimore & Ohio	June 12 mos.	111,710,000	+ 5,786,000	32,115,000	+ 2,476,000
Canadian Northern	June 12 mos.	2,851,000	+ 242,000	476,000	+ 52,000
Canadian Pacific	June 12 mos.	36,333,000	+ 710,000	9,054,000	+ 980,000
Chesapeake & Ohio	June 12 mos.	7,801,000	+ 1,214,000	1,622,000	+ 778,000
Chicago & N. Western	June 12 mos.	97,411,000	+ 4,144,000	23,357,000	+ 2,419,000
Chic. Burl. & Quincy	June 12 mos.	1,655,300	+ 522,900	463,300	+ 78,200
Chicago Great Western	June 12 mos.	22,700,700	+ 278,800	6,351,700	+ 302,700
Chic. Mil. & St. Paul	June 12 mos.	10,050,000	+ 1,620,000	3,336,000	+ 291,000
Ch. St.P. Min. & Omaha	June 12 mos.	129,810,000	+ 9,681,000	42,426,000	+ 3,819,000
Clev. Cin. Chic. & St. L.	May 11 mos.	2,995,000	+ 50,000	784,000	+ 114,000
Colorado & Southern	May 11 mos.	33,529,000	+ 1,504,000	10,071,000	+ 608,000
Cuba Railroad	May 11 mos.	7,278,000	+ 82,000	1,582,000	+ 288,000
Delaware & Hudson	May 11 mos.	83,677,000	+ 642,000	20,027,000	+ 1,170,000
Denver & Rio Grande	May 11 mos.	6,520,000	+ 776,000	904,000	+ 220,000
Erie Railroad	May 11 mos.	85,239,000	+ 1,640,000	24,940,000	+ 1,642,000
Grand Trunk System	May 11 mos.	1,158,000	+ 87,000	233,000	+ 85,000
Hocking Valley	May 11 mos.	14,260,000	+ 262,000	3,336,000	+ 322,000
Illinois Central	May 11 mos.	7,111,000	+ 380,000	1,830,000	+ 25,000
Interoceanic of Mexico	May 11 mos.	85,734,000	+ 2,308,000	24,352,000	+ 1,137,000
Kansas City Southern	May 11 mos.	1,450,000	+ 77,000	357,000	+ 14,000
Lake Shore & Mich. So.	May 11 mos.	17,992,000	+ 1,000,000	4,396,000	+ 128,000
Lehigh Valley	May 11 mos.	2,923,000	+ 268,000	499,000	+ 135,000
Louisville & Nashville	May 11 mos.	16,408,000	+ 1,200,000	446,000	+ 724,000
Mexican Railway	May 11 mos.	986,000	+ 119,000	320,000	+ 111,000
Min. St. P. (Soo) System	May 11 mos.	13,223,000	+ 1,855,000	3,476,000	+ 978,000
Milwaukee & Waukesha	May 11 mos.	462,000	+ 15,000	221,000	+ 17,000
Missouri Pacific	May 11 mos.	4,732,000	+ 500,000	2,294,000	+ 297,000
N.Y. N. H. & H. A. R. T.	May 11 mos.	1,965,000	+ 11,000	687,000	+ 34,000
Pennsylvania System	May 11 mos.	10,683,000	+ 1,009,000	2,810,000	+ 1,174,000
Rock Island	May 11 mos.	1,791,000	+ 82,000	492,000	+ 150,000
St. L. & San Francisco	May 11 mos.	23,167,000	+ 1,286,000	6,138,000	+ 322,000
Union Pacific	May 11 mos.	4,863,000	+ 548,000	1,347,000	+ 287,000
Western Pacific	May 11 mos.	55,671,000	+ 1,619,000	11,228,000	+ 3,447,000
Wabash	May 11 mos.	293,350	+ 121,500	220,200	+ 24,650
W. of Pittsburg	May 11 mos.	5,129,400	+ 464,450	1,003,150	+ 83,360
Y. & N. E. Ry.	May 11 mos.	\$8,111,000	+ \$687,000	\$1,473,000	+ \$14,000
Y. & N. E. Ry.	May 11 mos.	75,441,000	+ 3,214,000	24,290,000	+ 4,380,000
Y. & N. E. Ry.	May 11 mos.	442,000	+ 313,000	146,000	+ 140,000
Y. & N. E. Ry.	May 11 mos.	6,544,000	+ 650,000	2,062,000	+ 452,000
Y. & N. E. Ry.	May 11 mos.	5,281,000	+ 69,000	863,000	+ 364,000
Y. & N. E. Ry.	May 11 mos.	66,373,000	+ 1,586,000	11,739,000	+ 489,000
Y. & N. E. Ry.	May 11 mos.	522,000	+ 285,000	13,000	+ 262,000
Y. & N. E. Ry.	May 11 mos.	8,796,000	+ 527,000	2,729,000	+ 206,000
Y. & N. E. Ry.	May 11 mos.	980,000	+ 128,000	337,000	+ 109,000
Y. & N. E. Ry.	May 11 mos.	10,993,000	+ 287,000	3,516,000	+ 21,000
Y. & N. E. Ry.	May 11 mos.	4,383,000	+ 435,000	1,098,000	+ 157,000
Y. & N. E. Ry.	May 11 mos.	24,437,000	+ 4,588,000	4,643,000	+ 3,240,000
Y. & N. E. Ry.	May 11 mos.	3,516,000	+ 279,000	1,181,000	+ 127,000
Y. & N. E. Ry.	May 11 mos.	36,161,000	+ 3,138,000	9,043,000	+ 2,224,000
Y. & N. E. Ry.	May 11 mos.	4,514,000	+ 557,000	690,000	+ 141,000
Y. & N. E. Ry.	May 11 mos.	55,167,000	+ 369,000	12,083,000	+ 244,000
Y. & N. E. Ry.	May 11 mos.	686,100	+ 242,600	307,800	+ 174,400
Y. & N. E. Ry.	May 11 mos.	4,554,000	+ 270,300	1,960,500	+ 692,100
Y. & N. E. Ry.	May 11 mos.	2,839,000	+ 177,000	757,000	+ 17,000
Y. & N. E. Ry.	May 11 mos.	15,961,000	+ 1,734,000	2,660,000	+ 1,410,000
Y. & N. E. Ry.	May 11 mos.	2,242,000	+ 294,000	468,000	+ 81,000
Y. & N. E. Ry.	May 11 mos.	29,306,000	+ 2,993,000	8,172,000	+ 3,658,000
Y. & N. E. Ry.	May 11 mos.	2,312,000	+ 40,000	656,000	+ 233,000
Y. & N. E. Ry.	May 11 mos.	31,522,000	+ 823,000	8,897,000	+ 764,000
Y. & N. E. Ry.	May 11 mos.	4,624,000	+ 492,000	688,000	+ 699,000
Y. & N. E. Ry.	May 11 mos.	65,106,000	+ 3,224,000	12,982,000	+ 881,000
Y. & N. E. Ry.	May 11 mos.	1,569,000	+ 1,528,000	73,000	+ 197,000
Y. & N. E. Ry.	May 11 mos.	34,069,000	+ 23,301,000	2,287,000	+ 1884,000
Y. & N. E. Ry.	May 11 mos.	7,985,000	+ 604,000	2,051,000	+ 339,000
Y. & N. E. Ry.	May 11 mos.	43,820,000	+ 3,684,000	6,894,000	+ 1,801,000
Y. & N. E. Ry.	May 11 mos.	5,504,000	+ 236,000	1,073,000	+ 161,000
Y. & N. E. Ry.	May 11 mos.	60,842,000	+ 3,051,000	13,104,000	+ 3,670,000
Y. & N. E. Ry.	May 11 mos.	761,000	+ 34,000	185,000	+ 30,000
Y. & N. E. Ry.	May 11 mos.	8,231,000	+ 407,000	1,833,000	+ 617,000
Y. & N. E. Ry.	May 11 mos.	3,714,000	+ 29,000	1,135,000	+ 43,000
Y. & N. E. Ry.	May 11 mos.	44,470,000	+ 730,000	14,250,000	+ 694,000
Y. & N. E. Ry.	May 11 mos.	1,037,000	+ 70,000	106,000	+ 17,000
Y. & N. E. Ry.	May 11 mos.	6,061,000	+ 439,000	170,000	+ 107,000
Y. & N. E. Ry.	May 11 mos.	5,076,000	+ 690,000	1,384,000	+ 85,000
Y. & N. E. Ry.	May 11 mos.	62,887,000	+ 3,764,000	20,037,000	+ 2,332,000
Y. & N. E. Ry.	May 11 mos.	21,072,000	+ 1,290,000	6,119,000	+ 148,000
Y. & N. E. Ry.	May 11 mos.	116,568,000	+ 8,253,000	18,763,000	+ 2,861,000
Y. & N. E. Ry.	May 11 mos.	9,895,000	+ 1,457,000	2,304,000	+ 423,000
Y. & N. E. Ry.	May 11 mos.	63,915,000	+ 7,414,000	7,895,000	+ 528,000
Y. & N. E. Ry.	May 11 mos.	3,313,000	+ 336,000	725,000	+ 352,000
Y. & N. E. Ry.	May 11 mos.	19,024,000	+ 2,141,000	2,973,000	+ 916,000
Y. & N. E. Ry.	May 11 mos.	4,055,000	+ 315,000	1,348,000	+ 190,000
Y. & N. E. Ry.	May 11 mos.	44,785,000	+ 2,739,000	14,462,000	+ 3,855,000
Y. & N. E. Ry.	May 11 mos.	2,831,000	+ 362,000	101,000	+ 61,000
Y. & N. E. Ry.	May 11 mos.	30,718,000	+ 7,771,000	783,000	+ 3,085,000
Y. & N. E. Ry.	May 11 mos.	4,939,000	+ 431,000	458,000	+ 604,000
Y. & N. E. Ry.	May 11 mos.	62,051,000	+ 2,937,000	12,097,000	+ 1,738,000
Y. & N. E. Ry.	May 11 mos.	3,113,000	+ 411,000	290,000	+ 498,000
Y. & N. E. Ry.	May 11 mos.	39,208,000	+ 676,000	9,240,000	+ 2,872,000
Y. & N. E. Ry.	May 11 mos.	1,947,000	+ 6,000	655,000	+ 24,000
Y. & N. E. Ry.	May 11 mos.	25,292,000	+ 763,000	6,965,000	+ 146,000
Y. & N. E. Ry.	May 11 mos.	5,187,000	+ 20,000	773,000	+ 416,000
Y. & N. E. Ry.	May 11 mos.	69,634,000	+ 1,004,000	16,311,000	+ 1,545,000
Y. & N. E. Ry.	May 11 mos.	11,544,000	+ 101,000	3,031,000	+ 230,000
Y. & N. E. Ry.	May 11 mos.	138,521,000	+ 4,254,000	37,695,000	+ 6,512,000
Y. & N. E. Ry.	May 11 mos.	7,290,000	+ 273,000	2,560,000	+ 390,000
Y. & N. E. Ry.	May 11 mos.	92,116,000	+ 1,523,000	31,626,000	+ 3,316,000
Y. & N. E. Ry.	May 11 mos.	2,338,000	+ 260,000	95,000	+ 270,000
Y. & N. E. Ry.	May 11 mos.	30,023,000	+ 1,745,000	4,619,000	+ 1,596,000
Y. & N. E. Ry.	May 11 mos.	511,000	+ 1,000	117,000	+ 19,000
Y. & N. E. Ry.	May 11 mos.	6,099,000	+ 73,000	697,000	+ 708,000
U.S. & MEX.	Week to	Miles.	+ or -	Gross.	+ or -
Ches. & Ohio	Ang. 7	2,346	+ 22	\$711,000	+ 23,000
Chic. Gt. West.	July 31	1,496	-	300,000	+ 22,000
Colorado & S.	July 31	1,838	+ 10	376,000	+ 21,000
Denver & R.G.	July 14	2,585	+ 25	468,000	+ 1,000
Gt. Northern	Mo. to June	7,803	+ 43	6,060,000	+ 738,000
Illinois Central	Mo. to June	4,762	-	5,327,000	+ 31,000
Interco. of Mex.	July 31	1,047	-	42,400	+ 219,200
Louisville & N.	July 31	4,431	+ 23	1,580,000	+ 35,000
Mexican Rwy.	Ang. 7	4,903	+ 28	231,100	+ 26,500
M.St.P.(Soo) Ry.	July 21	4,085	+ 49	530,000	+ 67,000
Miss. Kansas	July 31	3,865	+ 48	920,000	+ 66,000
Miss. Pacific	July 31	7,284	+ 41	1,182,000	+ 38,000
National Mex.	July 31	6,135	+ 73	409,000	+ 45,000
Seaboard Air	July 31	3,093	+ 12	503,000	+ 12,000
Southern Rwy.	Aug. 7	7,046	+ 10	1,303,000	+ 8,000
Western Pacific	Aug. 7	2,440	-	98,000	+ 2,000
Ches. & Ohio	Ang. 7	2,346	+ 22	\$711,000	+ 23,000
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Mexican Rwy.	Ang. 7	4,903	+ 28	231,100	+ 26,500
M.St.P.(Soo) Ry.	July 21	4,085	+ 49	530,000	+ 67,000
Miss. Kansas	July 31	3,865	+ 48		

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The Statist.

LONDON, SATURDAY, AUGUST 15, 1914.

SIR GEORGE PAISH.

THE Chancellor of the Exchequer has appointed Sir George Paish to assist the Treasury in dealing with economic and financial questions arising out of the war. This naturally means the retirement from his post as one of the editors of this journal. The editors of THE STATIST, while regretting the loss of so able and competent a colleague, congratulate the country on securing his services in this great emergency. Speaking from long experience, they feel confident that he will be able to render the State invaluable aid. We need hardly add that the paper will be conducted as heretofore by those who have had its direction for so long.

THE FINANCIAL SITUATION.

PROCESS OF ADJUSTMENT.

A VERY great improvement has been effected in the position of the London and, through London, of the world's Money markets this week by the important announcement of the Chancellor of the Exchequer that the Government has agreed to guarantee the Bank of

England against any loss it may incur in the discount of bills accepted prior to August 4, and that bills of every description, bank and trade, colonial, foreign, and home, will be discounted by the Bank. The official announcement of the agreement issued by the Treasury is as follows:—

"The Chancellor of the Exchequer has for several days past been in close and constant consultation with the Governor of the Bank of England, the bankers, the accepting houses, and the principal traders for the purpose of providing the country with all the banking facilities it needs in the present emergency. We are now able to announce that the Chancellor of the Exchequer has completed arrangements with the Bank of England for terminating the present deadlock in the Money market and for enabling the trade and commerce of the country to resume its normal course. The greatest difficulty arose from the stoppage of remittances to London both from the provinces and from other countries, not only in Europe, but in all parts of the world. This caused a breakdown in the foreign exchanges and deterred bankers from discounting bills in the normal way. To overcome this difficulty, as well as that of providing traders in this country with all the banking facilities they need, the Government have now agreed to guarantee the Bank of England from any loss it may incur in discounting bills of exchange either home or foreign, bank or trade, accepted prior to August 4, 1914."

Accordingly we are authorised to make the following announcement:—

"The Bank of England are prepared on the application of the holder of any approved bill of exchange accepted before the 4th day of August, 1914, to discount at any time before its due date at Bank rate without recourse to such holder, and upon its maturity the Bank of England will, in order to assist the resumption of normal business operations, give the acceptor the opportunity until further notice of postponing payment, interest being payable in the meantime at 2 per cent. over Bank rate varying. Arrangements will be made to carry this scheme into effect so as to preserve all existing obligations.

"The Bank of England will be prepared for this purpose to approve such bills of exchange as are customarily discounted by them, and also good trade bills and the acceptances of such foreign and colonial firms and bank agencies as are established in Great Britain."

In this manner an end has been put to the deadlock in the Money market, and on Thursday it became possible to borrow money from the banks and discount houses much more freely than at any time since the war began.

It is evident that while the situation has not yet been completely rectified it has greatly improved, and that the banks will now have the means of lending very large sums of money. Indeed, one can say without exaggeration that their margin of lending power is greater than it has ever been. They no longer have to wait for bills to mature to secure funds for employment; if they are so disposed, they can take all the bills they possess to the Bank of England, and they can employ their now available funds in loans to their customers and in the discount of bills.

One side of the Money market is thus restored to full working order by the funds of the banks having been rendered fully liquid by the boldness and wisdom of the Chancellor of the Exchequer and of the Government.

The other side of the Money market—the activities of the accepting houses in accepting new bills—is, however, not yet completely restored. No one can yet measure the amount of the Continental bills accepted before the political troubles arose, when apparently there was not a cloud in the sky, or how far they will be met. Consequently, some of the accepting houses are not disposed to accept new bills at present to any appreciable extent.

It is of course true that under the arrangement just concluded by the Chancellor of the Exchequer with the Bank of England, all bills not met at maturity can be renewed, or, rather, that payments in connection with bills for which funds have not been received by the accepting houses from their clients can be indefinitely postponed, and that the accepting houses are thus safeguarded against demands for payment of bills that cannot be collected for the moment from foreign nations; nevertheless a considerable number of the accepting houses seem disposed to postpone for the present, at any rate, the acceptance of any appreciable amount of new bills.

As soon as the accepting houses can see their way to take new bills in the usual manner the Money market will resume full operation, and the serious obstacle to trade, both national and international, caused by the difficulty of securing the acceptance of bills and by the consequent breakdown of the international exchanges, will disappear.

The action of the Chancellor of the Exchequer and of the Government in coming so promptly to the assistance of the Money market and of bankers is beyond praise, and we are convinced that everything will be done to restore the Money market of this country, and indirectly the Money markets of other countries, to normal conditions as soon as possible. Hence we anticipate a pronounced revival both in national and in international trade.

THE COMING GREAT BATTLE.

DURING the week there has been fierce fighting at many points between the advance guards of the German Army and the Belgian and French. Both sides claim advantages, but it seems clear that nothing decisive has yet taken place; and that the Belgians, supported by a French contingent, have acted most heroically, and have, to a certain extent at all events, put the German calculations out of joint. As Germany was not provoked, she was able to choose her own time for aggression. Therefore, it seems certain that her Government must have been convinced that its military machine was completely ready. Nevertheless, there is much to suggest that the German calculations were based upon misapprehension, and it seems clear that they have been thrown out of gear. It was of the utmost importance that Germany should force her way rapidly through Belgium so as to be able to throw the whole weight of her fully-prepared army upon France, while still unready. Whatever the explanation may be, she has not accomplished this. It will be three weeks to-night since the Austro-Hungarian Government flung back with scorn the Servian submission to its ultimatum. Consequently, time enough has passed since both Germany and Austria-Hungary chose their own opportunity for attack to mass in Belgium an overwhelming force. Yet the Belgians, taken by surprise and able to dispose of only a very small army, have been able up to the present to stop the German advance, and thereby to give the much-needed time for France to complete her mobilisation, and to meet the advancing Germans with equal numbers. Nothing is more risky or, indeed, more foolish than prediction. Therefore, we shall not venture upon any opinion as to the result of the impending operations. Nevertheless, there is much to suggest that even yet the Germans are not completely prepared. If it be true, as is generally reported, that the first German Army corps that came into collision with the Belgians was so badly provided with both ammunition and food that men and officers in considerable numbers voluntarily surrendered as prisoners on the plea that they were starving; it is clear that, at the beginning at all events, the German machine

did not work well. The mistakes may by now have been remedied, and no doubt every effort has been made to hurry up provisions of every kind as rapidly as possible. Still, seeing what has happened, we must not leave out of account altogether the possibility of other miscalculations and other muddles. It is possible, then, that the great battle will not be fought quite as early as our contemporaries in general anticipate, and, consequently, that further time will be given to the French to complete all their preparations. Moreover, the splendid conduct of the Belgians, by checking the German advance, has not merely put out their calculations, but what is still more important, has given time to the Russians to hurry on their mobilisation. It will be recollected that the point which the German Government took hold of as a pretext for quarrelling with Russia was that Russia already was mobilising. Practically, that is to say, Russia began to partially mobilise as soon as serious pressure was applied by Austria-Hungary to Servia, and, furthermore, full mobilisation was ordered almost three weeks ago. It is quite true that Russia cannot mobilise with the speed of either Germany or France. Still, it is not to be forgotten that Russia has been doing much to abridge the time formerly needed for mobilisation; that, moreover, she had months ago arranged for a partial test mobilisation this autumn; and that, as already pointed out, she has actually been mobilising for about three weeks. It ought not to be very long, therefore, before Russia will be in a position to throw a considerable force upon both Germany and Austria-Hungary. If, then, France, with the assistance of Belgium and whatever help we can give, is able to delay for a few weeks the passage of the German troops through Belgium, she will be relieved to a great extent by the advance into Austria-Hungary and Germany of two great Russian armies.

From this time forward the difficulties of the two Imperial aggressors will grow greater and greater. Neither will be able to borrow abroad. Consequently, Germany will have to finance not only her own operations but those of her ally. In the present condition of her finances can she do this successfully? Moreover, the German fleet has not, up to the present, at all events, ventured to contend with our own for the command of the sea. Consequently, at the present moment German and Austrian shipping is being swept from the waters, and both countries will be dependent henceforward while the conflict lasts upon their own resources. They cannot count upon large imports from any quarter. They will receive certain imports, of course, through Italy and Holland as long as both remain neutral. But their position will grow more and more serious as time passes. For some months there will be no shortness of food, for the home-grown crops will supply what is requisite. On the other hand, as Germany will have to guard herself against both France and Russia, and as Austria-Hungary will not only be exposed to a formidable Russian attack, but might find herself confronted by several of the Balkan States, and may even have to deal with a rising in some of her own Slav provinces, it seems certain that both will have to call up almost every available man to ensure their security. If so, production must cease to a very great extent. Even before the war broke out unemployment was dangerously great. Now it will assume such a shape as may prove to be exceedingly perilous. Hungry men will begin to inquire why they have been plunged into such unmerited distress. And when they discover that their rulers rushed into war unprovoked for the mere greed of money and territory, they may call those rulers to account. Against this, of course, it is possible that the German Army may, when it is fully brought up to the front, carry all before it. As already said, it would be foolish to prophesy. Yet it must not be left out of account that all the evidence

**The Position
as it appears
to be.**

up to the present seems to suggest that the progress of science has at present given the defensive an advantage over the offensive. Prepared as she was, and knowing what obstacles stood in her way, Germany has failed utterly in silencing even a single one of the Liège forts. And if we may trust the reports

**Pros. and
Cons.**

that reach us, Germany has, not everywhere, of course, but in the majority of cases, failed to succeed even in attacks in the open. Aeroplanes, smokeless powder, the immense distances which artillery can now carry, the recognition by all armies of the value of cover, are clearly beginning to tell; and, for the time being, at all events, apparently, have given the advantage to the defensive. If that be so, and if the French do not yield to their natural instinct to rush upon the enemy, the invaders may find that their calculations have been baseless. There is one other point which it will be of great interest to determine, namely, the real value of the German artillery. It will be in the recollection of our readers that during the Balkan War it was asserted very positively, and generally accepted as true, that the French Creusot guns were far superior to the German Krupp guns. The fact that not a single Liège fort has been silenced lends countenance to the statement. Still, the reports were fiercely denied by the German authorities, who continue to put full faith in their artillery. If, however, they have miscalculated in this matter, as they clearly miscalculated the temper of the Belgian people, and the possibility of finding in Belgium the provisions required, they may have a very rude awakening.

GERMAN MISCALCULATIONS.

THE military correspondent of a morning contemporary suggested the other day that the apparent breakdown of the German plan of campaign in Belgium is to be accounted for by an intended invasion of England. The suggestion seems preposterous. It is, of course, to be presumed that the German fleet will sooner or later try conclusions with the British, and if it succeeds sufficiently to make it worth hazarding a landing, it is not improbable that an attempt will be made to invade this country. But the German fleet will move at its chosen time; probably not until it has endeavoured in every way that suggests itself to the admiral in command to so weary the British watching fleet as to induce it to make an attack, risking whatever damage may be inflicted by mines. Nevertheless, it is incredible that Germany's operations are all being made to wait upon the movements of the German fleet, for it is now beyond all possibility of doubt that the German Government had been preparing for some time for an onslaught, and selected what seemed to it the most favourable moment for beginning. Without bringing forward an atom of proof, the Austro-Hungarian Government accused the Servian Government

**The Blunder-
ing before
Liege.**

of being an accomplice in the murder of the Grand Duke Francis Ferdinand. It gave Servia only forty-eight hours to reply to its ultimatum. And, flinging aside the reply as utterly unsatisfactory, it prepared to invade the little kingdom, believing that it would overpower it before the Russians could come to its support. Meanwhile the German Government sent what was tantamount to an ultimatum to Russia, giving only twelve hours for an answer, and at the end of that time declared war against Russia. While this was being done the German Chancellor himself made what Mr. Asquith has justly styled the now notorious "infamous suggestion." And when the suggestion was rejected, German troops were ordered to enter both Belgium and Luxemburg. There can be no question, then, that the two allied Governments acted upon a

predetermined plan, and that they believed they could thoroughly occupy Belgium, Luxemburg, and Servia before effective assistance could be given to any of the three. Military men have been so accustomed to look up to everything done by Germany as the last thing in military science that it is not surprising, perhaps, that they should be casting about now for some explanation of what seems to them almost unaccountable. So far as the plain man, however, is able to judge from the facts yet known, the real solution seems to be that both Germany and Austria-Hungary have badly blundered. Either the great German General Staff and Grand Admiral von Tirpitz have misunderstood the condition of their own forces and the spirit of the rest of Europe, or the two Governments have taken the bit in their teeth, and have rejected the advice of their expert advisers. Everything that reaches us from Belgium must not, of course, be accepted as literal truth. But it seems impossible to doubt that a German army consisting of three corps was hurried prematurely into the little kingdom; was badly provided both with provisions and with ammunition; and that the German Government, at all events, persuaded itself that no serious opposition would be offered by the Belgians. The miscalculation has been so great that time has been given for the French to mobilise, and the whole plan of campaign, so long worked out, and so confidently believed in, seems exceedingly likely to prove futile. At all events, this much seems certain, that the period of mobilisation, both for France and for Germany, is now either complete or very near completion, and that not only are the French prepared on all their frontiers, but that a considerable French force is in junction with the Belgian main army. There may, of course, be a rude awakening for us, and Germany may be about to show that she has deceived her opponents, and is in a far better position than is generally believed. In that case, her policy must be mysterious indeed if she has thrown away all her initial advantages and given opportunity to the French to call up their whole force.

Looking at the matter in the light of the facts yet known, it is difficult to resist the conclusion that if the higher officers of the German Army and the Great General Staff have not been demoralised by half a century of intoxicating glory and unexpected wealth, the Government must have lost its cunning, and, by bad judgment in the selection of officers, must have seriously injured what unquestionably was a magnificent military system. The great body of the German people, no doubt, are as efficient as ever they were. But they have not, apparently, any heart in the present hostilities. In the sixties and the early seventies they were fighting for the unification of the Fatherland. And they were inspired

**The Seeming
Explanation.**

by a great spirit. Now they feel themselves called upon to trample upon neighbouring populations who have not given them any offence. It is not surprising, therefore, that while military discipline compels them to come up when called for, they put no spirit in their service. Furthermore, it is to be recollected that there is a great deal of discontent throughout the poorer classes in Germany. Since the Franco-German war the Empire has increased so much in manufacture, trade, and wealth of every kind that population has grown with extraordinary rapidity; and, what is more to the point, population has shifted so much that the representative system, which was tolerably fair when first established, has ceased to give proper expression to the opinion of the people. About four millions of electors vote for the Socialists. Yet the Socialists in the German Reichstag not only have little influence, but they are treated as enemies of the country. In addition to this, it is to be recollected that Prussia forms about two-thirds of the Empire; that, therefore, what is commonly called the German Empire is really Prussia with an appendage of smaller German States; in other words, that the Prussian

junkers are the real directors of the policy of Germany. The Prussian Constitution is nominally Parliamentary. But the electoral system is such that practically the great body of the people have no voice in the management of their own affairs. It follows that a small number of Prussian landowners dictate the policy of between sixty and seventy millions of people. And it is matter of public notoriety that the policy is disliked by the great body of the people. There is, then, a good deal of discontent at the manner in which Germany is governed. There is a good deal of revolutionary feeling, though it does not find expression in revolutionary action. And apparently, if we may judge from what has happened during the past two or three weeks, there has been utter incompetence in the selection of the higher officers for the army; and either expert advice has been disregarded, or the Great General Staff itself has been filled with incompetent persons. It may be that the people will insist in time that an end must be put to bungling and muddling, and, thereby, a new line of action may be adopted. But unless something of this kind happens, if we can depend upon the information that reaches us from all quarters where the Germans are operating, the world is likely to be surprised by the course of events. It would be rash in the extreme to offer an opinion as to the probable course of events in Belgium, since the real fighting has not yet begun. But if we may judge from the stand which the Belgians have been able to make, and the consequent delay in the German movements, Germany has before her a much more difficult task than she expected; and, therefore, nobody need be surprised if loud murmurs are soon heard in Germany itself.

ILL-JUDGED ACTION.

SOME of the joint-stock banks—one in particular is named which ought to know better—have this week intimated to members of the Stock Exchange that they should urge their clients to pay up balances due by them. The action is most unwise. It is, of course, true that everybody is bound to pay his debts, and those who are in a position to do so are acting contrary to their own, as well as to the public, interest in delaying to do so. For to keep balances in their own hands, or lying on deposit with their bankers, when they owe the sums to others is a form of hoarding which is wrong in principle, and calculated to prolong the present state of anxiety.

An
Undesirable
Proceeding.

We have no doubt, therefore, that the banks acted with the best intentions. All the same, we have no hesitation in saying that they have not shown the sound judgment the country has a right to expect from them under present circumstances. When the Stock Exchange is closed except for cash transactions, and when the Government has proclaimed a moratorium, it surely is most unwise to do anything that can be construed to mean pressure put by the banks either upon members of the Stock Exchange or upon their clients. Moreover, when people are disturbed in that way, in their anxiety they are apt to draw conclusions not favourable to the banks. Furthermore, we venture to say that it is not in the least desirable that the Stock Exchange should become more active. Every bourse and stock exchange has been closed because the avalanche of selling was so great that values threatened to disappear altogether. Here at home confidence is rapidly reviving, and if nothing ill-judged is done it will soon be sufficiently strengthened. But every belligerent, no matter how strong he may be, is liable to invasion. Therefore,

people fearing invasion will take every opportunity they can to sell. Consequently, if the London Stock Exchange were now to become at all active, there is danger that selling from the belligerent countries would again quickly compel it to be closed altogether. Even in the United States, which is not involved in hostilities, and is so far off, the stock exchanges have had to be closed, and business is as much paralysed as in London, simply because the pressure to sell from the Continental countries was so great that even the United States was not able to stand up against it. While, then, every person who owes money to a member of the Stock Exchange, and is in a position to pay, ought to do so, it is most certainly not desirable that great activity should be stimulated upon the Stock Exchange.

There is other action, both by the banks and by remittance agencies of all kinds, which is to be regretted and ought to be at once reformed. Almost all the world is more or less indebted to this country. Consequently, there ought to be coming here every day considerable remittances. But we have heard of very many cases in which those who were bound to remit and wished to do so have telegraphed that they are unable because they could not obtain from the banks means of remittance. This was excusable in the first days of the crisis, when the banks were consulting with the Government what ought to be adopted, and before it was known whether the Government would take the steps that appeared to be necessary. But it is entirely inexcusable at present. Not only is the Navy scouring all the seas to clear them of vessels which might prey upon our commerce, but the Government has granted a moratorium so

as to allay the fears of persons who had to meet pressing engagements, and had not received the necessary sums. Furthermore, the Government has agreed to insure four-fifths of the

values, both of ships and of freights, at what, under the circumstances, must be considered moderate rates. Moreover, it is understood that rates will be reduced very soon. There is, then, literally no justification for making it difficult to carry on the ordinary business of the country. All bankers who themselves recognise the truth and act upon it should use their influence with less wise members of the profession, so that the trade of the country can be carried on freely and properly. It is of the utmost importance that this should be done, so that as soon as may be apprehension should die down and the working classes should obtain full employment at fair wages. It is absolutely urgent that there should be no increase in unemployment. But if those who have carried on so long the business of remittance now refuse to continue doing so, they are not merely acting contrary to their own interests, but they are giving assistance to the enemies of the country. We sincerely hope, therefore, that this kind of panicky action will cease without more ado—that every man will recognise that he is failing in his duty if he refuses to perform his ordinary functions in the manner which the Government is endeavouring to make as safe as possible. If all concerned will keep their heads, will exercise a little patience, will show a little forbearance, and, above everything, will remember that each man in his own position is able to do something to restore confidence, even if it be ever so little, we shall speedily see the present anxieties subside. In politics we are presenting to the foe a united front. Private individuals are, speaking generally, coming forward splendidly; some to give their services in the field, others to render them in other ways. But all, speaking generally, are placing their persons and their property at the disposal of the State. If we all continue to do this confidence will revive and business will again become active. Whereas it is certainly undesirable that Stock Exchange speculative business should revive, it is urgently necessary that true trade operations should

be extended and augmented. For it is essential that the working classes should not be exposed to grievous suffering, and unless they can find employment they must suffer seriously. If all capitalists of every kind will bear this in mind, will feel that there is a duty incumbent upon them just as great as the duty incumbent upon our soldiers and our sailors, to remember the interests of the State, and to try to act up to them in every respect, we shall not merely get out of the state of semi-panic in which we have been during the past two or three weeks, but we shall be able to look around us calmly, and to forward every movement calculated to secure success and to punish those who have so wantonly and so wickedly broken the world's peace.

There is one other point which calls for notice. It is that several boards of directors have postponed distributing the interim dividends which had been declared. Such conduct was pardonable, no doubt, in the first days of the crisis, when so many people lost their heads, and even the calm looked forward to the immediate future with grave anxiety. But it is inexcusable at present. Everything that a Government can do has been done to show that, so far as the might of the British Empire can give assurance, all engaged in business will be protected in every way. We are at sea largely superior to our enemies in numbers and in armament. There is no reason to suppose that our sailors are not equal to the British sailors of the best of former times.

Mistakes of Boards of Directors.

Therefore, we have reasonable grounds for believing that we shall be able to maintain absolute command of the sea. Already our ships are employed in clearing the waterways everywhere, so as to give demonstration that trade can be carried on with very considerable safety. In addition to all this, the Government issued on Thursday morning an announcement which promises to deal effectively with a problem which was one of the thorniest and most difficult in our way, namely, making up for the non-receipt of the debts due to us from our enemies. The Bank of England is empowered to discount at the ordinary Bank rate the bills which now cannot be cashed. And to make this feasible the Bank is prepared to take bills which in former times it would not deal in. Thus we have assurance that there will be no want of working capital. The Bank of England, it will be borne in mind, is receiving gold in immense amounts, and everything seems to point to the fact that the inpouring of gold will continue on an extraordinary scale. But putting the gold aside altogether, it is not to be left out of account that the Bank Charter Act is practically set aside; that the Bank of England has power to issue notes as required; and that those notes are legal tender. Thus, everything that human foresight can make arrangements for is provided to render it safe and easy to carry on the full trade of the country, while our Navy is using all its ability to chase from the seas those that would prey upon our trade. In reality, then, we may with very considerable confidence hope that our trade will not only not be diminished, but that it will increase. Germany having only an inferior fleet, and being faced by superior armies and navies, cannot hope to supply her foreign customers with the goods she formerly produced for them. This is the only country that can take up fully the position which Germany is compelled to abandon. Therefore, we have every reason for anticipating that if we act with ordinary common-sense and judgment we shall see our trade expanding and prospering. But it is essential for this that all who are at the head of considerable enterprises should remember the grave responsibilities that rest upon them, and should understand that in neglecting in any way the businesses over which they preside they are playing into the hands of the enemy and betraying the best interests of their own country.

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- " 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain.
Proposals accepted by France and Italy.
- " 28. Austria-Hungary declares war against Serbia.
- " 30. Partial mobilisation in Russia.
Bank of England rate 4 per cent.
- " 31. General mobilisation in Russia.
Germany declares state of war.
Italian declaration of neutrality.
Bank of England rate 8 per cent.
- Aug. 1. Germany declares war against Russia, also invades Luxembourg.
Bank of England rate 10 per cent.
- " 3. Sir E. Grey in House of Commons explains British attitude. British Fleet mobilised.
German ultimatum to Belgium.
- " 4. British ultimatum to Germany demanding assurance that the neutrality of Belgium be respected.
Mobilisation of British Army.
War declared between Great Britain and Germany.
British Government undertakes insurance of British shipping during war.
- " 5. Lord Kitchener appointed Minister of War.
Attack upon Liège by German corps repulsed.
British Colonies and Indian Princes proffer aid to the Home Government.
Roumania to remain neutral.
- " 6. Mr. Asquith moves in the House of Commons a vote of credit for 100 millions. Army to be increased by half a million of men.
Bank rate reduced to 6 per cent.
General moratorium in force to September 4.
Maximum prices for staple articles of food fixed by Cabinet Committee on Food Supplies.
All British ships available placed on naval service.
Recruitment of additional 100,000 men for British Army commences. Territorials called up.
Austria-Hungary declares war against Russia.
- " 7. Bank of England rate reduced to 6 per cent.
Government rate of war insurance reduced to 4 guineas per cent.
German Commander attacking Liège asks for armistice for 24 hours.
- " 8. Bank of England rate reduced to 5 per cent.
French force occupies Mulhausen.
Japanese Fleet puts to sea.
German Togoland seized by British.
- " 10. France declares war on Austria-Hungary.
Germans enter Liège. Forts still intact.
German Army mainly to be thrown against France through Belgium. German force opposed to French and Belgians estimated at a million.
- " 12. British Declaration of War against Austria.
German war vessels Goeben and Breslau seek refuge in the Dardanelles.
- " 13. Government guarantees bills of exchange discounted at the Bank of England.
Measures being arranged for holding gold in Canada, Australia, and South Africa, for account of the Bank of England.

OUR FOREIGN TRADE.

THE falling-off in the value of our foreign trade in July, is not in any way attributable to the present deplorable state of affairs, which has arisen since the close of July, but is a continuation of the set-back that has been witnessed recently. The past month contained the same number of Sundays as did July, of last year, and therefore the comparison with 1913 is on an equal basis so far as working days are concerned. Imports for the month declined £2,400,000, or 3.9 per cent., due in the main to smaller arrivals of food, drink, and tobacco, chiefly wheat, oats, maize, and sugar. Exports fell off to the extent of £2,759,000, or by 5.8 per cent. Here the value of articles wholly or mainly manufactured has been largely responsible, the falling off in that section having been £2,281,000. Our re-exports have also shown diminution, the decline having been £485,000, or 5.8 per cent. For the seven months to the end of July the value of the imports has shown a shrinkage of £5,241,000, or 1.2 per cent., exports have declined £4,357,000, or 1.4 per cent., while re-exports are lower by £264,000, or 3.9 per cent. Although both for the month of July and for the seven months the totals are in each case lower than those for

1913, they are still well above those for the corresponding periods of 1912. The following statement will afford some idea as to the course of trade month by month since July 1913:—

Trade of United Kingdom since July 1913.

	Imports		Exports		Re-Exports	
	Amount	+ or - on Prev. Yr.	Amount	+ or - on Prev. Yr.	Amount	+ or - on Prev. Yr.
1913.	£	£	£	£	£	£
July ...	61,784,000	+3,484,000	47,164,000	+5,178,000	8,311,000	+1,218,000
Aug. ...	55,976,000	-3,720,000	44,111,000	+332,000	8,150,000	-1,807,000
Sept. ...	61,356,000	+4,177,000	42,425,000	-780,000	6,553,000	-1,182,000
Oct. ...	71,730,000	+708,000	46,623,000	-1,711,000	9,556,000	-489,000
Nov. ...	68,467,000	-2,520,000	44,756,000	+1,398,000	8,001,000	-1,631,000
Dec. ...	71,115,000	-2,943,000	43,327,000	+1,868,000	9,729,000	+487,000
1914.						
Jan. ...	68,017,000	-3,225,000	47,806,000	+2,360,000	9,597,000	-1,109,000
Feb. ...	62,051,000	-1,736,000	41,282,000	+1,089,000	10,229,000	-517,000
Mar. ...	66,935,000	+5,591,000	44,519,000	+2,829,000	9,536,000	-97,000
April ...	61,625,000	-1,329,000	39,947,000	-3,106,000	10,789,000	+731,000
May ...	59,103,000	-2,178,000	42,051,000	-1,807,000	10,372,000	+1,031,000
June ...	58,272,000	-38,000	39,873,000	-2,963,000	8,573,000	+212,000
July ...	59,384,000	-2,400,000	44,405,000	-2,759,000	7,826,000	-485,000
7 moe.	435,250,000	-5,241,000	299,863,000	-4,357,000	67,102,000	-265,000

Financial Notes.

A TELEGRAM from Ottawa of Tuesday's date states that recruiting for the overseas force has been discontinued, as many more than the required number have been secured. Several regiments have volunteered as entire regiments to preserve their identity. A wealthy Montreal citizen, who withholds his name, will equip a quick-firing battery at his own expense. It is announced from Toronto that the first consignment of a million bags of flour for the United Kingdom will leave in ten days. A telegram from Wellington on the following day announced that contributions to the Empire Defence Fund are coming in at the rate of £10,000 daily. A leading sportsman is raising funds for providing a shipload of foodstuffs for the relief of the poor in England. A telegram from Brisbane states that Mr. Barnes, the Treasurer, has introduced a Bill to secure supplies of meat for the Imperial Government during the war. Mr. Fisher was unopposed at the Federal Elections to enable him to assist the Commonwealth.

The public is aware that the sudden and entirely unexpected outbreak of war has disorganised trade all over the world. Even the United States, which is separated by a great ocean from Europe, has had to take measures to stop the outpouring of gold, and practically to close the New York Stock Exchange. Here at home if is not surprising that the effect has been greater still. But perhaps the evil consequences of the unprovoked malignity of Germany are best illustrated by a comparison of the return of the Bank of England for the week ended Wednesday of this week with that for the week ended Wednesday, July 22. At this latter date nobody was anticipating war. The City was calm—indeed, was looking forward to better times after the holidays.

At that date the gold coin and bullion held in the issue department of the Bank amounted to £38,564,410. A fortnight later, Wednesday, August 5, the item had fallen to £26,041,070, showing a decrease in two weeks of £12,523,340, or 32.5 per cent. On Wednesday of this week the amount had recovered to £32,242,215, an increase in the week of £6,201,145, or 23.9 per cent. But it will be seen that still the comparison with July 22 is very unsatisfactory.

On July 22 the "Other" deposits in the Bank of England amounted to £42,185,297. On August 5 they amounted to £56,749,610, showing an increase of

£14,564,313, or 34.5 per cent. On Wednesday of this week they amounted to £83,326,113, being an increase of £26,576,503, or 46.9 per cent. compared with the preceding Wednesday, and showing an increase of £41,140,816, or 97.5 per cent. compared with Wednesday, July 22. The "Other" securities on July 22 amounted to £33,632,762. On August 5 they had risen to £65,351,656, an increase of £31,718,894, or 94.4 per cent. On Wednesday of this week they had further increased to £70,786,596, showing an augmentation over the week before of £5,434,940, or 8.3 per cent., and over the Wednesday of three weeks before of £37,153,834, or 110.6 per cent.

These figures are remarkable enough; but they will be eclipsed by those to be issued next week. For it will be recollected that the Bank of England on Thursday morning, under the arrangement settled with the Government the preceding day, began to discount bills of a kind which it formerly did not deal in. That means, of course, that not only will there be shown in the next return an enormous increase in the business done by the Bank, but the note issue will have likewise immensely expanded. Too much praise cannot be given to the Bank of England in this emergency. Under its present management it has met all the demands made upon it with generosity and with calmness, and it has contributed powerfully to the improvement that has already set in in the City.

GREAT NORTHERN OF IRELAND RAILWAY.

No change is recorded in the rate of distribution upon Great Northern of Ireland Railway Ordinary stock, which, consequently, remains at 5 per cent. Six months ago a dividend at the rate of 6 per cent. was paid, together with a bonus at the rate of 1 per cent., so that for the past year the stock receives 6 per cent., which compares with $5\frac{1}{2}$ per cent. paid for 1912-13, and with $5\frac{3}{8}$ per cent. for 1911-12. According to the traffic statements, gross earnings somewhat improved during the first 26 weeks of this year, the gain shown by comparison of estimates with estimates being about £13,000. No information accompanies the dividend announcement which throws any light upon the profits earned in the June half of this year. It is to be hoped, however, that twelve months hence the directors will have decided to afford some idea to the shareholders as to the course of earnings and profits in the manner that has been adopted by many of the larger English railways. Below are set out the dividends paid in the last 12 years:—

Great Northern of Ireland.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	02
Deco. half ...	7	$5\frac{1}{2}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$	$\frac{6}{8}$
June half ...	5	5	$4\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	5	$5\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$
Year ...	6	$5\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	$6\frac{1}{2}$	$8\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$

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American Topics.

EMERGENCY CURRENCY AND THE GOLD SHIPMENTS.

THE bankers and the Government of the United States are taking measures to preserve the gold now held in the country, and to provide the public with all the currency that may be required. It is understood that already steps have been taken to stop the shipments of gold; and, in consequence, the Treasury Department is preparing for the issue of all the emergency currency that may be required. The Act authorising such issue has just been amended by Congress, and the limit of such issue has been raised to twice what it was before. Until the banks apply for the issue of such currency the Secretary of the Treasury will hold his hand. In the meanwhile, however, he is prepared to pay out 46 million dollars, or £9,200,000 immediately to meet the harvest requirements. It will be recollected that the crops in the

**Moving the
Crops and the
European
Gold
Demand.**

United States are exceedingly large; that, as Europe is at war, the European demand is expected to be exceptional; and that, consequently, much money will be needed to move the crops. The Secretary of the Treasury is prepared, should 46 million dollars not be suffi-

cient, to put out an additional 100 million dollars or 20 millions sterling. It seems certain, therefore, that the supply of currency will be abundant, and, as far as can be judged from London, there seems no reason

why there should be recourse to emergency currency. Trade, it will be borne in mind, is slack. Speculation is dormant; money is cheap. Consequently, unless something very untoward happens to develop a panicky feeling, it is difficult to see why a large amount of emergency currency should be needed. However, it is very proper of the Government and the banks to make all preparations against contingencies, for, while war is raging between the great European Powers, nobody can foresee what may happen. There is much discussion, at the same time, as to how best to meet the European demands for gold. It is understood that gold will not be shipped just now. But if money continues abundant and cheap, as it is likely to continue since such large issues of paper are taking place, then the high rates in Europe will prove very tempting. Even in London the Bank of England rate is 5 per cent., while the Outside Market rate in many cases is higher. Upon the Continent the quoted rates are merely nominal. It is very difficult to say what the rates really are in any of the belligerent countries. It is perfectly clear, however, that in the present condition of Europe, American capitalists could employ gold at very remunerative rates; and, therefore, that there will be a strong temptation to ship it to Europe. The Government and the banks are determined to prevent this. Consequently, there is much discussion as to what steps ought to be taken to provide Europe with the means of remittance without actually taking gold.

One suggestion is that the United States Government should permit the banks of the United States to substitute bank notes for gold in their reserves to the extent of 100 million dollars, or 20 millions sterling. The notes, it will be recollected, under the new law will be Government notes. And it is pointed out that if these notes were substituted for gold, 20 millions sterling of that metal will be available for export to Europe. It is said that the Government and several of the banks are opposed to this plan while others of the banks are strongly in favour of it. A second proposal is that gold should be lodged with the Finance Minister of Canada, he acting as trustee; that the gold so lodged should be treated as a fund against which British drawers of bills could draw; that in this way there would be no actual lodgment of the precious metal to the value of 20 millions sterling against the bills; and that the balance of indebtedness against the United States which during the next two or three months it is estimated will amount to about 40 millions sterling, will be changed as soon as the crops begin to be exported in large quantities; and that then the balance of indebtedness will be in favour of the United States; and that, without sending the gold across the Atlantic exchange operations will become quite practicable and safe. It is stated that one American bank has already sent a million sterling for this purpose to Canada. But it is not known how the American Government regards it, or whether it will be permitted by Congress. The first suggestion would be simple, and as it is reasonably certain that the balance of indebtedness will be in favour of the United States in three or four months' time the measure need not continue long in operation. But there is a good deal of opposition to it both on the part of the Government and of a large section of the banks. It is doubtful, therefore, whether it will be acted upon. The second proposal seems to have stronger support among bankers, and, whether rightly or wrongly, it appears to be thought that the United States Finance Ministry looks upon it with some favour. In its support it is pointed out that European merchants desiring to buy either foodstuffs, or cotton, or anything else, could do so quite as conveniently by drawing upon the gold in Canada as they could if the metal was in the Bank of England; that, therefore, the measure would enable the United States to do a very large trade with all the European countries

whose markets are open to it, and that the European countries could buy freely from the United States. There can be no question that this is so. A large amount of gold, with a good system of exchange, would enable a very large volume of business to be conducted, and it is to the interest both of Europe

Two Suggestions.

and of the United States that the largest possible volume of business should take place. On the other hand, it is objected that all artificial shackles to free dealing are objectionable in principle, and probably would break down in practice. If, for example, it is contended, rates continue at about 5 per cent. and over in England, the temptation will prove too strong for American business men not to send capital over here to employ it at such rates. Furthermore, it is argued that the more paper is issued, and, therefore, the larger the currency in circulation, the cheaper money is likely to become in the United States. If the Government issues immediately anything like 20 or 29 millions sterling in paper, and if, subsequently, the banks take out emergency notes, the supply will become so large that rates must rule very low in the United States; whereas the immense borrowings that will have to take place in Europe for warlike purposes, and the unprecedented destruction of wealth by the war, will tend to raise rates all over Europe for a considerable time to come. There is unquestionably much force in the argument.

There is, however, another side to the case. Is there any probability, if measures are taken to restore confidence and enable the United States to pay its debts in Europe during the next few months, and, on the other hand, to export food-stuffs, cotton, tobacco, and so on, that the Government will need to issue anything like 20 or 29 millions sterling of paper; and that the banks, in addition, will take emergency notes amounting to another 20 millions? Surely the present difficulties in the United States are due to the shock to credit given by the sudden and

The True Course.

unexpected outbreak of war upon the European Continent, and to the fear that, in consequence, Europe would not be in a position to continue dealing as of old. If, however, our fleets are able to keep the seas clear, and if measures are adopted for facilitating the acceptance and payment of bills, is it in the least probable that there will be such a demand for currency as will require the issue of new notes to the extent of 40 or 50 millions sterling? On the contrary, is it not probable that the need for inflation will then have passed? Trade in the United States has been restricted for a considerable time. There is little fresh enterprise. There is still less desire to engage in speculative ventures. Therefore, it would seem that a very large issue of notes will not be required if measures are taken to restore confidence. In that case, the United States happily has such abundant crops that she will be able to do an immense trade with Europe, and more particularly with the United Kingdom. Once exporting on a great scale begins confidence will rapidly revive; the demand for large paper issues will cease; and there will not be that extreme cheapness of money which would probably follow very large issues of paper. Here at home the advantages would be great. Our own Government has done so much to restore confidence that the outlook is now far more promising than anybody could have expected even a few days ago. All that is needed is that all difficulties in regard to remittances should be removed. The necessity for that is so great that it is unwise to stickle about theoretical objections. The present crisis, we venture to hope, will not last long. It certainly will not if our Fleet can keep the seas clear. Whatever is necessary and promises to be effectual, therefore, should be done without regard to straight-laced prudishness respecting more or less imaginary principles.

CANADIAN PACIFIC RAILWAY.

THE preliminary income statement of the Canadian Pacific Railway has been published this week and reflects the conditions that have recently prevailed. Unfortunately, at the time that its earnings have diminished owing to the set-back to trade in Canada the Canadian Pacific has had to meet increased competition, arising from the new railway mileage brought into operation during the year by other companies. Hence for the past twelve months there has been a considerable falling-off in earnings and profits. Gross earnings declined about \$9,500,000, without allowing for any change in the method of accounting, against which there was a saving of \$5,700,000 in expenses, so that net earnings fell off \$3,800,000. According to the cabled statement \$2,116,000 of net earnings were transferred to special income account, which for the year is given as \$8,588,000, so that miscellaneous income would appear to have been \$6,472,000 on balance, against \$7,844,000 for 1912-13. After the payment of somewhat lower interest charges there remained a net profit of \$38,671,000, which compares with the record profit of \$43,214,000 obtained in 1912-13 and with \$39,036,000 in 1911-12. Allowing for the dividend on the Four per Cent. Preference stock, there was a balance of \$35,556,000 available for the Common stock, equal to a distribution of 14.5 per cent., with a surplus of \$11,000,000. Had the whole of the present amount of stock ranked for full dividend in the past year the profit earned would have been equal to nearly 14 per cent. To show how the results of the past twelve months compare with those of previous years we append the following statement:—

Income Statement of the Canadian Pacific Railway.

	1913-14.	1912-13.	1911-12.	1910-11.	1909-10.
Gross receipts ...	\$ 129,815,000	\$ 139,396,000	\$ 123,319,000	\$ 104,168,000	\$ 94,989,000
Oper. expenses ...	87,389,000	93,150,000	80,021,000	67,468,000	61,149,000
Ratio ...	(67.39 %)	(66.82 %)	(64.89 %)	(64.78 %)	(64.37 %)
Net receipts ...	42,426,000	46,246,000	43,298,000	36,700,000	33,840,000
Misc. income (net) ...	6,472,000	7,844,000	6,263,000	7,720,000	4,835,000
Net income ...	48,898,000	54,090,000	49,561,000	44,420,000	38,675,000
Interest charges ...	10,227,000	10,876,000	10,525,000	10,011,000	9,917,000
Net profit ...	38,671,000	43,214,000	39,036,000	34,409,000	28,758,000
Div. on 4 % Pref. ...	3,115,000*	2,960,000	2,592,000	2,254,000	2,215,000
Balance for Ord. ...	35,556,000*	40,254,000	36,444,000	32,155,000	26,543,000
Equal to % ...	(14.5 %)	(18.8 %)	(20.5 %)	(17.9 %)	(17.4 %)
Dividend on Ord. ...	24,500,000*	21,420,000	17,759,000	17,100,000	11,662,000
Do. % ...	(10 %)	(10 %)	(10 %)	(9½ %)	(7½ %)
Surplus ...	11,056,000*	18,834,000	18,685,000	15,055,000	14,876,000

* Approximate.

It will be remembered that at the annual meeting, held in October last, the Chairman, Sir Thomas Shaughnessy, intimated that a scheme was afoot for reconstructing the special income account and showing the extraneous assets of the undertaking in a more definite and tangible form. This has accordingly been done, and the value of the Company's land and other active and inactive assets has now been included in the balance sheet. On a conservative basis the Company considers there has been an addition of \$127,254,000 to the surplus from these sources. At the end of June 1913 the surplus was approximately \$77,600,000, and, after making allowance for various deductions during the past year, it would appear that at the present time the surplus is not far short of \$200,000,000.

At a special meeting of the Company to be held on October 7, the stockholders will be asked to approve an increase of \$75,000,000 in the authorised amount of Ordinary capital. All the present authorised capital of \$260,000,000 is in issue, and the increased power is being sought to make the capital accord with the amount for which the Company has the sanction of the Canadian Government. Apparently the Company is acting under the powers it possesses of creating Ordinary capital in lieu of Debenture stock.

It is scarcely probable that any of the new stock will be offered until conditions have so far improved as to ensure of the success of the issue on favourable terms to the Company and to investors alike. The Canadian Pacific is strong, financially and physically, the recent decline in price of the stock having been due to causes over which the Company has no control.

Particulars of the issues of Canadian Pacific Ordinary stock are appended:—

Issues of Canadian Pacific Railway Ordinary Stock.

	Amount of Ordinary Stock \$	Extent to which Stockholders could Apply %	Price of Issue \$
Outstanding prior to 1902 ...	65,000,000	—	—
Feb. 1902, issued to stockholders ...	19,500,000	30	100
Oct. 1904 " " ...	16,900,000	20	100
March 1906 " " ...	20,280,000	20	100
Jan. 1908 " " ...	24,336,000	20	100
Jan. 1909, sold in market ...	3,984,000	—	160
Oct. 1909, issued to stockholders ...	30,000,000	20	125
Jan. 1912 " " ...	18,000,000	10	150
Jan. 1913 " " ...	60,000,000	30	175
Early in 1913, sold in market ...	2,000,000	—	183
Total outstanding ...	260,000,000	—	—
Proposed increase in authorised capital	75,000,000	—	—

NEW HAVEN AGREEMENT.

ACCORDING to cable advice, an agreement has been reached between the New York, New Haven and Hartford Railroad and the U.S. Government whereby the affairs of the Company will be readjusted without the filing by the Government of a suit of dissolution, as had at one time been feared. The difference between the tentative proposals of January last and this week's arrangement is but slight. The New Haven is given until January 1917 to dispose of its holding of Boston and Maine stock, in the event of no prior agreement having been reached with the Massachusetts Legislature whereby control of the Boston and Maine shall be got rid of in a manner approved by the Federal Government. The disposal of the various steamship lines is to be undertaken by the Interstate Commerce Commission.

NATIONAL RAILWAYS OF MEXICO.

HOLDERS of various issues of bonds and Equipment notes of the National Railways of Mexico and of the lines merged into that system are notified by the President of the Company, under date of July 31, that owing to continued and increased interference with the service of the railway, loss of earnings, and increased expenses, due to disturbed conditions in Mexico, the Company was unable to pay in cash the interest on bonds maturing July 1, as well as the principal on Equipment Notes Series 10 of the Mexican Central Railway, also then due. In the circumstances the Company applied to the Mexican Federal Government for assistance and for the protection of its own interests in the system. The Government offered to advance \$11,232,477 of Six per Cent. Redeemable Mexican Gold bonds of 1914, to be used as collateral security for an issue of notes of the Company to provide not only for the payments due July 1, but also for those maturing between that date and September 30 next. This offer has been accepted by the Company, which accordingly proposes to pledge such bonds under a trust agreement between the Company and the Guaranty Trust Company of New York, as trustee, to secure an issue of notes limited to \$3,099,046 (U.S.), the total of the payments falling due during the current quarter. The new notes, which will be payable January 1, 1917, will bear 6 per cent. interest, payable at maturity, and among other things will be redeemable in whole or in part, at the option of the Company, at par with accrued interest, on 30 days' notice, are now offered at par in lieu of interest payments due in the current three months. Those holders desiring to avail themselves of the offer are requested to deposit their coupons and

maturing notes before the end of this month with the Guaranty Trust Company of New York, either at its New York office or at its London office, 33 Lombard Street. This offer may become effective if 75 per cent. of the holders of the securities affected deposit their coupons and maturing notes or otherwise satisfactorily signify their assent thereto. It shall become effective if 85 per cent. of the holders shall have so assented. Those bondholders to whom the offer applies cannot do better than accept the Company's terms.

HOME RAILWAY RESULTS.

LONDON AND NORTH-WESTERN RAILWAY.

IN recording the dividend of the London and North-Western Railway Company last week we gave a comparative statement of the results for the June halves of 1913 and 1914. From the figures then before us it appeared that an increase of £263,000 in gross receipts had been accompanied by an expansion of as much as £444,000 in expenses, resulting in a falling-off of £181,000 in net receipts. We have since been officially informed that, owing to a somewhat different method of compiling the statements for the two half-years, the increases in both earnings and expenses are not as large as we indicated. For the June half of 1913, we learn, the gross earnings contained about £30,000 to £40,000 of net revenue from extraneous sources, whereas this year they include some £240,000 to £250,000 of gross revenue from outside sources, while expenses in connection therewith, amounting to some £205,000, have been included in the operating expenses of the line. Allowing for this difference in accounting, the expansion in gross earnings has thus been £58,000, while expenses have increased £239,000. Net receipts are £181,000



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MEDIUM ... 3d. for 10

No. 347.

lower, as we showed last week. The revised comparison of results for the two half-years is appended:—

Revised Comparison of Results of L. & N.-W. Ry., 1st Halves, 1913 and 1914.

	Half-year to June 30—1914	1913	Ino. or Dec. £
Gross revenue ...	8,398,000	8,340,000	+ 58,000
Operating expenses ...	5,623,000	5,381,000	+ 239,000
Net revenue ...	2,775,000	2,956,000	-181,000
Fixed charges and divs. on Preference stocks	1,644,000	1,613,000	+ 31,000
Net profit ...	1,131,000	1,343,000	-212,000
Div. on Ordinary ...	1,072,000	1,287,000	-215,000
„ % per annum...	(5 %)	(6 %)	-(1 %)
Balance ...	59,000	56,000	+ 3,000
Brought forward ...	102,000	101,000	+ 1,000
Carried forward ...	181,000	157,000	+ 4,000

It is to be hoped that in future the Company will supplement its interim dividend announcements by a comparative statement of earnings, expenses, charges, and profits for two half-years instead of giving meagre data for one half-year only. These remarks equally apply to other British railway companies.

CALEDONIAN RAILWAY.

Two Scottish railway declarations have been made this week, namely, the Caledonian and the Glasgow and South-Western, and in both cases interim distributions for the past half-year have been postponed. In the case of the Caledonian the directors state that the declaration of interim dividends is postponed to a date to be intimated later, with the exception of the interim dividends on the Consolidated Guaranteed and Lanarkshire and Dumbartonshire Guaranteed stock, which will be paid on September 5. Twelve months ago the Company paid a dividend at the rate of 3 per cent. per annum, and for the whole of 1913 the distribution on the Undivided stock was $3\frac{1}{2}$ per cent., giving $\frac{1}{2}$ per cent. on the Deferred. The dividends paid in recent years have been as under:—

Caledonian Ordinary.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	4	$3\frac{1}{2}$	$2\frac{1}{2}$	$3\frac{1}{2}$	3	3	3	$3\frac{1}{2}$	4	4	4	$4\frac{1}{2}$
1st half...	†	$3\frac{1}{2}$	3	$3\frac{1}{2}$	$3\frac{1}{2}$	3	3	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$
Year ...	—	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	3	3	$3\frac{1}{2}$	4	$3\frac{1}{2}$	$3\frac{1}{2}$	4

Caledonian Deferred.

2nd half...	1	$\frac{1}{2}$	$\frac{1}{2}$	†	NII	NII	NII	†	$1\frac{1}{2}$	1	1	$1\frac{1}{2}$
1st half...	†	NII†	NII	†	†	NII	NII	†	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$
Year ...	—	†	†	†	†	NII	NII	†	1	$\frac{1}{2}$	$\frac{1}{2}$	1

* Dividend for 5 months to Dec. 31. † Dividends 6 months to June 30.
‡ Dividend postponed to a later date.

According to the published statements, the traffic receipts of the Company for the half-year declined £21,000, but comparing estimates with estimates there was an increase of as much as £32,000. The Company is at present spending money very liberally in the purchase of new waggons to replace the large quantity of old and obsolete waggons still in its possession, and when the old stock has been entirely written off not only will a large amount of revenue be set free for dividend purposes, but it will be possible to deal with the traffic much more economically, and thus to add materially to the Company's profits. The latest official price of the Ordinary stock was 61, and the Deferred Ordinary was on July 30 quoted at $11\frac{1}{2}$.

GLASGOW AND SOUTH-WESTERN RAILWAY.

The directors of the Glasgow and South-Western Railway Company have also resolved, having regard to the existing political and general financial situation, to postpone the declaration of an interim dividend on the Ordinary stock for the first half of 1914. The usual dividend on the St. Enoch Station Rent Charge Guaranteed and Preference stocks for the

half-year will be paid on September 5. Twelve months ago the dividend was at the rate of $4\frac{1}{2}$ per cent. per annum, and for the whole of 1913 a distribution of $5\frac{1}{2}$ per cent. was forthcoming. The traffic receipts of the line for the six months to June last, according to the weekly statements, showed a decrease of £10,000; but if comparison is made of estimates this year with estimates a year ago there is an improvement in earnings of £24,000. It is probable, therefore, that the Company has done nearly, if not quite, as well in the past six months as in the June half of 1913, and that a dividend at the rate of $4\frac{1}{2}$ per cent. per annum could have been distributed on the Ordinary stock. The dividend record of the Company in recent years is as follows:—

Glasgow and South-Western Undivided Ordinary.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	$5\frac{1}{2}$	5*	6	$4\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$4\frac{1}{2}$	4	$4\frac{1}{2}$	$4\frac{1}{2}$
1st half...	†	$4\frac{1}{2}$ †	$4\frac{1}{2}$	$4\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	4	$4\frac{1}{2}$	4	4	4	$3\frac{1}{2}$
Year ...	—	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	4	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$4\frac{1}{2}$	4	$4\frac{1}{2}$	$4\frac{1}{2}$

Glasgow and South-Western Deferred.

2nd half...	3	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$	1	1	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	2
1st half...	†	$2\frac{1}{2}$ †	$2\frac{1}{2}$	$1\frac{1}{2}$	1	†	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$
Year ...	—	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$	1	†	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$

* Dividend for 5 months to Dec. 31. † 6 months to June 30, 1913.

‡ Dividend postponed owing to crisis.

The last official quotations (July 30) for Glasgow and South-Western stocks were 54 for the Two-and-a-Half per Cent. Preferred Ordinary and 37 for the Deferred stock. Last year the Deferred received a dividend of $2\frac{1}{2}$ per cent.

NORTH BRITISH RAILWAY.

Regarding the postponement of the declaration of interim dividends by the Scottish railway companies, Mr. William Whitelaw, Chairman of the North British, desires it to be known that the decision of the directors in this case was arrived at when the Bank rate was 10 per cent., and when questions as to the rights and priorities of different Preference stocks rose in practical form for the first time. In the circumstances, he states, any other decision would have been imprudent and unfair to various classes. He says arrangements have been made for the directors to meet at an early date to consider the matter further, in view of the improved general financial position. We trust that the directors of the Caledonian and Glasgow and South-Western Companies will likewise reconsider their decision to postpone dividends. No such excuse as that offered by the North British can be made by them in this matter. Their decision did not have to be made in a time of panic, and with the Bank rate at 10 per cent., and now that the financial crisis is over there is no apparent reason why, if profits have been earned, they should not be distributed in the usual way. The withholding of dividend payments by prosperous joint-stock undertakings, and more particularly by large railway companies, when it can be legitimately distributed, is a policy to be deprecated at the present time, as one likely to inflict serious hardships upon an immense number of investors, who are thereby deprived of the much-needed income which, in ordinary times, and more particularly now, is earmarked for current expenditure. It is the duty of everyone to lessen the financial stress as much as in them lies, and one way of doing it is undoubtedly to circulate as freely as possible the large profits earned by joint-stock companies and legitimately due to the investing public. There are, of course, exceptions to this general rule, but in the case of the Scottish railway companies these do not apply. We trust, therefore, the directors will speedily reconsider their decision, and, by reversing their policy, come into line with all the other railway companies throughout the kingdom in announcing and paying their interim distributions as usual.

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"An old and first-class office."

"Low rates a distinctive feature."

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THE OLDEST SCOTTISH OFFICE.

ESTABLISHED 1805

CALEDONIAN

INSURANCE COMPANY

FIRE. LIFE. EMPLOYERS' LIABILITY.

PERSONAL ACCIDENT AND ILLNESS. BURGLARY.

HEAD OFFICE—19 GEORGE STREET, EDINBURGH.

LONDON { 82 KING WILLIAM STREET, E.C.
OFFICES { 14 WATERLOO PLACE, PALL MALL, W.

Insurance Notes.

UNITED KINGDOM TEMPERANCE AND GENERAL PROVIDENT INSTITUTION.

This admirable life office has for many years past produced most excellent results for its members, amongst whom alone under its mutual constitution all divisible profits are allocated. There are two sections of its business, the "temperance" and the "general." The "temperance" section opens its doors only to total abstainers. Rates of premium are the same in the two sections, which are, however, kept distinct from each other for valuation purposes, the bonuses being allotted thereto according to the working results. At the last quinquennial valuation at the close of 1910 the bonuses on whole of life policies in reversionary form per cent. per annum were as follows:—

Temperance Section ... £2 2s. "compound."
General Section ... £1 15s. "compound."

On endowment assurances the bonuses were at the compound rate of £1 18s. in both sections for policies of less than 25 years' terms. For policies of longer duration they were at the rate of £1 18s. in the general section and of £2 in the temperance section, "compound."

A "compound" bonus means that the percentage is calculated not only on the original sum assured, but on previous bonus additions as well.

These rates denote in each case one of the highest bonus standards in British life offices; and, as the valuation basis is very stringent, the rate of interest assumed for the accumulations being only $2\frac{1}{2}$ per cent. per annum, the prospects of the maintenance of that standard may be considered to be as favourable as in any other life office. The United Kingdom may, therefore, be regarded as a very attractive society to new entrants, and particularly to those who are abstainers. It is well and economically managed in every way.

The report for 1913 deals with the third (or middle) year of the current quinquennium, and the figures announced attest that the office has enjoyed an increased popularity since the last distribution of profits was made. The business is entirely confined to this country. New policies were issued for £1,531,684, of which £105,400 was reassured, the net amount retained at the institution's own risk thus being £1,426,284, as compared with £1,285,901 in 1912.

The development of business is shown in the annual report for 1913 by a comparison of the amounts of the net new business in the first three years of the present and of the last two preceding quinquenniums, as follows:—

Years	Number of New Policies	Amount Assured
1901-2-3	8,324	2,466,690
1906-7-8	10,931	3,828,992
1911-12-13	11,366	4,045,570

The total net life premium income, increased by £23,737, amounted in 1913 to £739,861, of which about $11\frac{1}{2}$ per cent. was absorbed by expenses of all kinds, inclusive of commission. This represents a lower expense ratio than the average in British life offices, and compares with a margin of about 19 per cent. of the premiums in force at the last valuation then reserved for expenses and contingencies. Thus there was a considerable profit during the year from economy. The other sources to which life offices look for the maintenance of bonus—viz., a favourable incidence of mortality and interest earnings in excess of those assumed, were also abundantly productive. Claims by death, £357,597, were for less than two-thirds of the amount anticipated according to the valuation tables. On whole of life policies the amount of such claims compared with "expectation" was 60 per cent. in the temperance and 72 per cent. in the general section.

Endowment assurances for £193,365 matured during the year. After payment of all outgoings the life assurance fund was increased by £386,664 to £9,962,872, and the net interest yield thereon, after deduction of income tax, seems to have been about £3 19s. 6d. per cent., which is £1 9s. 6d. per cent. in excess of the actuarial assumption.

Total assets, December 31, 1913, £10,058,152.

STATE ASSURANCE COMPANY, LIMITED.

An excellent report for 1913 is presented by this Company. The premium income in all departments, amounting to £260,220, shows an increase of £11,698, and after adjustment of reserve for unexpired risks the trading profits, apart from interest earnings, amounted to £18,661, as compared with £11,518 in 1912.

In the fire department alone the premiums, £210,051, were increased by £6,877, and the trading profit amounted to £12,787, which is greater than that reported in this section in 1912 by £2,690. But the greatest improvement is shown in the accident department, in which premiums, increased by £4,822, amounted to £50,169; and the trading profit, £5,874, was increased by £4,453.

To the departmental profits has to be added a sum of £5,107, the excess of interest earnings and fees over expenses debited in the profit and loss account, so that the total profits of the year from trading and interest seem to have amounted to £23,768. This has been disposed of as follows:—

	£
Dividend of $12\frac{1}{2}$ per cent. (as last year) on paid-up capital of £70,000	8,750
Transfer to investment fluctuation account	1,500
Added to general reserve fund	10,000
Added to balance carried forward in profit and loss account	3,518
	23,768

After these adjustments the reserves, apart from capital and investment fluctuation account of £20,000, carried forward to 1914 were as follows:—

General reserve fund	£ 60,000
Fire fund	70,018
Accident and general fund	16,723
Balance of profit and loss account	7,878
	<hr/>
	154,617

This represents 59.4 per cent of the total premium income, as compared with a corresponding proportion last year of 53.2 per cent.

The total assets in the balance sheet on December 31, 1913, amounted to £301,452. The investment fluctuation fund of £20,000 is certified as more than sufficient to cover existing depreciation in the investments at date of the auditor's certificate. The uncalled capital amounts to £490,000, there being 70,000 shares of £8 each with £1 paid.

LICENSES INSURANCE CORPORATION AND GUARANTEE FUND, LIMITED.

Continued success appears to be shown in the operations of this Company, which transacts a general insurance business and specialises in guaranteeing the renewal of licences on licensed properties. But for the heavy depreciation which has taken place in the values of its securities during recent years even better results would have accrued, but the dividend of 8 per cent., free of income tax, again declared in respect of last year's operations, after giving effect to such depreciation, may well be regarded as satisfactory.

The Company's premium income in 1913, increased by £5,014, amounted to £220,257.

As against this the trading burdens were as follows:—

Claims and legal expenses incident thereto	£ 123,248
Addition to reserve for unexpired risks... ..	1,511
Reserve for doubtful debts	4,000
Expenses and commissions	72,977
Increased obligations under mutual classes of risk	12,812
	<hr/>
	214,548

Thus the trading profit may be assumed as £5,709, while interest and fees produced £9,249, making an available surplus of £14,958, which has been disposed of as follows:—

Dividend to shareholders payable in 1914	£ 5,617
Increase in reserve for depreciation of investments and balance of loss on sale of stock... ..	9,185
Increase in balance carried forward to 1914	156
	<hr/>
	14,958

The funds thereafter stood as follows, apart from paid-up capital of £73,850:—

General reserve fund	£ 50,000
Reserves for unexpired risks	67,243
Obligations under the mutual class	23,832
Balance carried forward	8,569
	<hr/>
	149,644

The assets, according to the balance sheet on December 31, 1913, amounted to £345,737, and the directors certify that they were in the aggregate fully of the value stated, less the reserve of £50,848 for depreciation of investments, Stock Exchange securities having been valued at middle market prices at the close of the year.

COUNTY OF LONDON ELECTRIC SUPPLY COMPANY.—Interim dividend on Ordinary at rate of 5 per cent. per annum, less tax.

GUEST, KEEN AND NETTLEFOLDS.—Final dividend on Ordinary shares at rate of 10 per cent. per annum, together with a bonus of 1s. per share, free of tax.

NATIONAL GAS ENGINE COMPANY.—Interim dividend on shares at rate of 7½ per cent. per annum on Ordinary, subject to tax.

ARMAMENT COMPANIES.—II.

LAST week we set out the position of the principal armament companies in view of the fact that they will be favourably affected as a result of the outbreak of war. We dealt with Armstrong, Whitworth and Company, John Brown and Company, Cammell, Laird and Company, and Vickers, Limited. We now deal with two other companies which receive contracts from our own Government for war vessels of various kinds, and should, therefore, share in the general expansion of the industry.

JOHN I. THORNYCROFT & CO.

After five years of bad times this Company's business took a turn for the better in 1909 which was continued in 1910. In the following two years the Company enjoyed a time of considerable prosperity, which, satisfactory as it was to the shareholders, was also responsible for comparatively poor results in 1913, inasmuch as it led the employees to demand an unduly large share in the good times. Accordingly, early in March 1913 their engineers struck for an advance of no less than 3s. per week in wages, and were so convinced that the Company would pay this great increase that they remained on strike for a period of no less than four months. Eventually the Company came to terms with the men on the basis of an advance of 1s. 6d. per week. This strike naturally had a serious effect upon the profits of the Company last year. Not only could very little work be done during the strike period, but subsequently the higher rate of pay had to be given, although contracts had been taken on the basis of the lower rate. In other words, the result of the strike was felt not only during the trouble but in the period subsequent to the strike, when contracts previously entered into were being completed. Had the Company possessed an ample reserve fund, doubtless it would have met a part of its exceptional loss last year by appropriations from reserve. In recent years, however, it has incurred heavy expenditure through the transference of its works from Chiswick to Southampton, and consequently had not reserves with which to meet its exceptional losses. The trading profit for 1913 was £47,158, in comparison with £64,971 in 1912, and £87,190 in 1911; certainly a very satisfactory result under the circumstances. The Company has not permitted the strike to affect its depreciation policy, and has again devoted £19,526 to depreciation of buildings, plant, machinery, patterns, drawings, &c. This sum was not really needed to make good plant and buildings scrapped during the year, for out of the money thus appropriated it has spent £16,924 on additions to buildings, plant, and machinery, of which £7,300 was expended on the new shops and plant at Woolston, Southampton, and the balance on new shops and plant at Basingstoke. The Company is also paying the sum of £2,603 a year as premiums on debenture redemption policies, and against its Debentures outstanding it now has a credit of £25,350 in respect of premiums paid. The whole of the £260,000 of Debentures will eventually be redeemed by means of the premiums now being paid. In considering the outlook account has to be taken of the considerable additions to the works made in recent years out of profits by means of the depreciation funds, and of the substantial addition to the producing power of the undertaking, without any increase whatever in the capital account. The profit available for dividends in the past year of exceptional misfortune was only £12,932, in comparison with £31,436 in 1912, £54,795 in 1911, and £30,654 in 1910. In 1909, when the profit was also only £12,157, it was affected by the transference of the works from Chiswick to Southampton. From the statement below it will be noted that the sum allocated to depreciation in the past year was greater than in any previous year, and was over £5,000 larger than in 1909. The

comparison of the profits of the last five years is as follows:—

Year ended Dec. 31—	1913.	1912.	1911.	1910.	1909.
	£	£	£	£	£
Trading profit	47,158	64,971	87,190	63,915	40,073
Depreciation	19,526	18,435	18,095	18,961	14,216
Directors' fees	1,200	1,600	800	800	800
Deb. int.	13,600	13,600	13,600	13,600	13,600
Net profit	12,932	31,436	54,795	30,654	12,167
Prof. div. (6%)	11,880	11,880	23,700*	29,700*	11,880
	1,052	19,556	25,095	954	277
Ord. div.	3,713	7,425	7,425	—	—
	(2½%)	(5%)	(5%)		
Reserve	Dr. 2,661	12,131	17,670	954	277
	—	10,000	16,993†	—	—
Brought forward	Dr. 2,661	2,131	677	954	277
	5,722	3,591	2,914	1,960	1,683
Carried forward	3,061	5,722	3,591	2,914	1,960

* For 2½ years.

† Written off new issue expenses.

At the beginning of the present year the contracts in progress at Southampton included five ocean-going destroyers, two tugs for the Argentine Navy, and a number of smaller vessels fitted with internal combustion engines. For the first four months of the year the orders taken amounted to as much as those taken during the first eight months of 1913. Sales also showed a substantial increase. Moreover, while the Admiralty contracts for 1913 were unremunerative, owing to prices being based on the lower working costs prevailing before the strike, the 1914 contracts are on a more profitable basis for the Company. In addition to manufactures for war purposes, the Company is also building up a large business in commercial motors, and the sales both of motor vehicles and marine motors are showing steady expansion. On the whole, therefore, there is every reason to anticipate a steadily growing business and an improvement in profits. At recent prices the yields afforded upon securities are as follows:—

Amount	Description	Par	Price	Dividend	Yield.
£		£	£	%	£ s. d.
160,000	5 % 1st Mort. Debs.	100	90	5	5 12 4
100,000	5½ % 2nd Mort. Debs.	100	83½	5½	6 13 4
198,000	6 % Cum. Preference... ..	1	½	6	8 18 5
148,500	Ordinary shares	1	½	2½	5 1 0

PALMER'S SHIPBUILDING AND IRON COMPANY.

For the twelve months to June 1908 a somewhat disastrous result was shown by this Company, and, after payment of Debenture interest, there was a loss of £58,631. The unfavourable result was due partly to trade depression and partly to labour disputes and strikes of the workmen, which resulted in a paralysis in business in all departments. For the following year a further loss of £79,653 was reported, due to similar causes, and to taking unremunerative contracts in the shipbuilding and engineering departments. Then ensued a turn in the tide, and for the twelve months to June 1910, before providing for Debenture interest, there was shown a profit of £12,552. After deduction of interest charges, therefore, the deficit brought the total debit balance of profit-and-loss account to £138,734. For the year to June 1911 there was a profit, after providing for interest charges, of £41,901, which was devoted to reducing the debit balance. During the year to June 1912 there occurred the coalminers' strike and the railway strike, both of which had a serious effect on the business, and the result was that the trading profit was only £660, and the debit balance was increased by £31,581 to £128,414. A further improvement occurred during the year to June 1913, and the net result was that the debit balance was reduced by £2,267. The Company is an old-established one, formed in 1865. Its career has been varied and not altogether prosperous, for a similar bad time was experienced during the eight years to 1897. But from 1898 to 1907 the Company was fairly prosperous. Since then, as already indicated, chiefly owing to labour disputes, the position has been far from satisfactory.

The following shows the profits made for each of the past seven years and the distribution of the same:—

Year ended June 30	1913	1912	1911	1910	1909	1908	1907
	£	£	£	£	£	£	£
Profits	36,262	660	66,346	12,552	-63,699	-48,372	80,673
Written off for extensions, deprecations, &c.	—	—	—	—	—	—	45,000
	36,262	660	66,346	12,552	-63,699	-48,372	35,673
Debenture and loan interest ...	33,995	32,211	24,445	23,906	15,984	10,259	9,382
	2,267	-31,581	41,901	-11,354	-79,653	-58,631	26,291
Preference div....	Nil	Nil	Nil	Nil	Nil	4,982	9,213
	—	—	—	—	—	(2½ %)	(5 %)
	2,267	-31,581	41,901	-11,354	-79,653	-63,612	17,078
Ordinary div. ...	Nil	Nil	Nil	Nil	Nil	Nil	21,651
	—	—	—	—	—	—	(5 %)
	2,267	-31,581	41,901	-11,354	-79,653	-63,612	-4,573
Brought forward -128,414	-96,833	-138,734	-127,380	-47,727	15,885	20,458	
Carried forward -126,147	-128,414	-96,833	-138,734	-127,380	-47,727	15,885	

The Company is a builder of war-vessels, and can tackle the largest ship required. Moreover, the engine works have been placed on the Admiralty list for building turbines of the highest power. The Company first of all leased the Hebburn works of Robert Stevenson & Company, Limited, and subsequently exercised an option of purchase, thereby securing control of another important shipyard, boiler-shop, and foundry, together with the largest graving dock on the river Tyne. And, in spite of the bad times through which it has been passing, it has built several new shops and acquired subsidiary plants, in order to meet Admiralty requirements. It is very largely self-contained, as may be seen from the following extract from a speech of the late Chairman: "Here we begin with the crude ore, smelting it in our own blast-furnaces, transforming it again into finished steel, and so on to the completed ship. Forges, foundries, boiler-shops, engine-works, galvanising-works, plumbers' manufacturing-shop, and various other subsidiary manufactures completely are at our own command, and available for our own purposes independently of the delays and uncertainties which so often arise in other instances. Two very valuable graving docks—including the largest dock on the East Coast—give the perfection of finish to our equipment. Palmers has seen great days, and your board's energies have been earnestly applied to preparing the way for ever greater. You already have results which indicate the wisdom of the policy we have adopted."

It will be seen that a considerable leeway has still to be made up, but in view of the energy shown in conducting the affairs, and assuming more cordial relations prevail on the labour question, there is little doubt that for the year to June 30 an improvement took place, and the debit balance should have been further reduced. There is little doubt also considerable improvement will be shown during the current

THE BALDWIN LOCOMOTIVE WORKS

PHILADELPHIA, PA., U.S.A.

ALBA B. JOHNSON, JR., GEN. AGT.

34 VICTORIA STREET
LONDON, S.W., ENGLAND

year. The capital and prices may be seen from the following:—

Amount £	Description	Par £	Price £	Int. %
350,000	5 % Debenture stock	100	68	5
134,700	6 % "A" Debentures	100	—	6
200,000	5 % Preference	1	6/6	NIL
497,560	Ordinary	1	3/1½	NIL

EXPLOSIVES COMPANIES.

A GROUP of companies whose business must show expansion as a result of war is that of the manufacturers of explosives. The number of such companies is comparatively small. The business is such a highly specialised one depending largely on patented and secret methods of manufacture that it is scarcely surprising that there is not a large number of firms engaged in the industry. Even so, however, competition is very keen and the results secured have shown considerable fluctuations. Competition has often resulted in periods of severe price-cutting which has caused very bad times for some of the weaker concerns. Moreover, during recent years all have been affected by a rise in the price of raw materials, one very important commodity which has become much dearer being glycerine. It will be obvious, however, that a war of such magnitude as the present one will call for very large supplies indeed of all kinds of ammunition, and that manufacturers will necessarily secure very large orders. It must not be forgotten, however, that explosives are required not only for use in war but also for ordinary industrial purposes, and very largely for mining purposes, and this side of the business may be adversely affected, so that the gain that will be made on the one hand will not be met. On the whole, however, it is probable that explosives companies will benefit largely for the time being, at any rate, from the war. We, therefore, deal with the position of some of the more important concerns engaged in the manufacture of explosives in this country.

NOBEL-DYNAMITE TRUST.

This is the largest and most important of British companies engaged in the manufacture of explosives. Its position is one of somewhat peculiar interest at the present time. As the name applies the Company is a Trust and its income is derived from the profits made by subsidiary companies controlled. The peculiar interest is due to the fact that among the subsidiaries are companies operating in Hamburg, Dresden, and elsewhere on the Continent in addition to the Nobel's Explosives Company, Limited, of Glasgow, and the Australian Explosives and Chemical Company, Limited, while the Trust is also interested in the British South African Explosives Company, Limited, which has large works at Modderfontein. Among other countries where the ramifications of the business extend may be mentioned Canada, Spain, Portugal, and South America. Of the 14 directors three hail from Hamburg and one from Cologne. The Company is thus interested in both sides of the present conflict, and there is little doubt that the German business is one of considerable magnitude and has in the past contributed a substantial proportion of the total profits. It is, of course, very difficult to say how the position of the parent Company will be affected by the fact that one of its principal subsidiaries is engaged in business in a country with which Great Britain is at war, and from the shareholders' point of view it would certainly be desirable for the directors to issue some statement setting out the position so far as is possible. By reason of the widespread nature of the operation through the various subsidiary companies, the Nobel's Company has been comparatively little

affected by the keen competition and price-cutting that has been little short of disastrous for weaker concerns. Its profits have always been well maintained and a steady distribution of 10 per cent. has been made on its Ordinary share capital for many years past. In addition to the broad basis on which the operations are carried on the Trust has received great benefit from the excellence of its management, and both from the technical and financial point of view the management has always been of the best. Not only has the Trust carried out a conservative distribution policy, thereby strengthening its position and secured large resources, but the business has been kept resolutely up to date, and all new inventions that have appeared valuable have been adopted not only in the way of introducing new materials, but also bringing about economies in working. The Trust has now been in operation well over a quarter of a century, and during this time business has been extended from that purely of the manufacturing of nitro-glycerine blasting explosives to cognate industries. It may be added that a working alliance with powdermakers of Germany has been carried out for some years past, and still has to run until 1950.

The capital is £4,000,000, of which £1,000,000 consists of Five per Cent. Cumulative Preference shares, the balance of £3,000,000 being in Ordinary shares. At April 30 last there was a reserve fund of £800,000, but during the last financial year new capital was issued; and the premiums will reach a net total of about £360,000, which will bring the reserve up to about £1,160,000.

For the twelve months to April 30, 1914, dividends received in respect of the year 1913 on shares in dynamite and explosive companies brought in a total of £327,898, interest has added £71,662, and other items have brought up the total income to £400,615, as compared with £399,323 for the previous year. After deduction of sundry expenses there is a balance of £381,275, as compared with £380,725. The dividend on the Preference capital has called for £50,000. Though the new capital was issued before the close of the last financial year, it did not rank for dividend; and, accordingly, the Ordinary distribution of 10 per cent. has again called for £228,540, thus leaving a balance of £102,735. Of this £100,000 has been carried to the reserve fund, and the balance is added to the undivided surplus, bringing it up to £8,368.

In the following table we set out the manner of distributing the profits for each of the past six years:—

	Year to April 30—1914	1913	1912	1911	1910	1909
	£	£	£	£	£	£
Total income	400,615	399,323	394,074	365,206	327,311	280,204
Sundry expenses	19,340	18,598	18,939	18,637	16,313	16,345
	381,275	380,725	375,135	348,569	310,998	263,859
Preference dividend (5 %)	50,000	50,000	50,000	50,000	50,000	49,158
	331,275	330,725	325,135	298,569	260,998	214,701
Ordinary dividend (10 %)	228,540	228,540	228,540	228,540	228,540	228,540
	102,735	102,185	96,595	70,029	32,458	—13,839
To reserve	100,000	100,000	100,000	70,000	31,197	—
	2,735	2,185	—3,045	29	1,261	—13,839
Brought forward	5,633	3,448	6,853	6,825	5,564	19,403
Carried forward	8,363	5,633	3,448	6,854	6,825	5,564

In order to show the strong position occupied by the Company, we set out herewith details of some of the figures of the accounts for the past six years—namely, the amount of capital in issue at the end of the year, the reserve fund, the total loans to subsidiary companies, the cash in hand and amounts due by subsidiary companies, together with dividends on shares in these companies which were lumped together in the accounts, and the outlay on capital account which represents the purchase of shares and other interest in dynamite and explosive companies. and cost of share warrants. This last item has

remained unchanged during the past six years. The figures are as follows:—

Date.	Capital	Reserve Fund	Loans to Subsidiary Companies	Oash : Amounts Due by Subsidiary Companies, &c.	Onlay on Capital Account
April 30					
1914	3,880,435	700,000*	2,198,400	445,023	2,568,948
1913	3,285,400	600,000	1,175,000	511,867	2,568,946
1912	3,285,400	600,000	1,175,000	408,031	2,568,946
1911	3,285,400	430,000	1,068,100	417,245	2,568,946
1910	3,285,400	380,000	1,068,000	346,564	2,568,946
1909	3,285,400	380,000	1,079,000	302,650	2,568,946

* The reserve fund is now £800,000.

At the present price a yield of a little over 4½ per cent. is forthcoming on the Preference shares, while on the Ordinary shares the yield is about 7 per cent. As already indicated, it is desirable that the directors should issue some statement as to the actual position in view of the fact that it is interested so largely in Germany, and both shareholders and investors generally would be glad of information as to the possibilities of the situation. Herewith we set out the capital, prices, dividends and yields afforded:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
1,000,000	5% Cum. Preference Shares	10	11½	5	4 8 1
3,000,000	Ordinary shares	10	15½	10*	6 19 5
	Warrants to bearer	10	15½	10*	7 2 11

* Free of tax.

KYNOCH, LIMITED.

For the twelve months to March 1914 a slight reduction in profits was reported by this Company as compared with the previous year. The reduction, however, was very small, and there is no doubt that the Company has recovered from the almost disastrous position in which it found itself a few years ago. After passing through a period of five years without receiving any distribution on the Ordinary capital, shareholders were cheered twelve months ago with a resumption of dividends, though the distribution was at the rate of 2½ per cent. As a matter of fact, however, it was possible to have returned to the 10 per cent. dividend which was maintained for a long period of years by the Company, had not a wiser course been taken and a substantially larger sum set aside for depreciation purposes than was the case previously. The last occasion prior to 1913 when the 10 per cent. was earned was for the year ending March 1906, on which occasion, after payment of the 10 per cent., a surplus of £14,000 was shown. For the following year the usual 10 per cent. distribution was made, but practically only 5 per cent. was earned, and the carry-forward was reduced by over £17,000 in order to maintain the rate. Then the Company fell on bad times, and the directors had a quarrel with the Home Office which brought about a falling off in the demands of the War Office for their explosives, and the profits for the twelve months to March 1908 only amounted to £20,535. These were insufficient to provide for the full Debenture interest, and after payment of the Preference dividend there was a deficit of £25,466, which was taken from the carry-forward. From that time the Company has done better year by year and profits have steadily advanced. For each of the following years they exceeded £50,000. For the twelve months to March 1911 they increased to over £73,000, two years ago they were £93,000, and twelve months ago £126,267, or about £25,000 in excess of any previous sum secured. For the twelve months to March 1914 they have amounted to £122,476, or only £3,800 short of the record figures shown twelve months ago.

Originally, it may be recalled, the Company was engaged entirely in the business of the manufacture of explosives and its profits were entirely dependent on Government contracts. Recognising the danger of such a position—and it must subsequently have been brought home with peculiar force to the shareholders—the directors some years ago very considerably broadened the basis of the Company's opera-

tions, and in addition to the manufacture of military ammunition it now manufactures sporting ammunition, owning smokeless and black gunpowder mills, whilst among other articles manufactured may be mentioned cycles, gas engines, cut steel nails, rolled brass and copper, soap, and candles. It will be evident that had the Company not been able to fall back to some extent on these various lines of manufacture when the War Office contracts were temporarily lost the results for the twelve months to March 1908 would, indeed, have been little short of disastrous, and it would not have been possible to have made so substantial a recovery since that date; indeed, it is a fair inference that the Company would not now be in existence at all.

In the following table we set out the manner of the distribution of the profits for each of the past seven years:—

Year ended March 31—	1914	1913	1912	1911	1910	1909	1908
Net trading profits	£122,476	£126,267	£93,109	£73,047	£10,123	£50,072	£20,535
Directors' fees	5,000	5,000	5,000	4,110	3,000	3,000	2,000
Debtors interest, &c.	42,100	41,832	36,547	31,940	18,834	19,000	19,001
	75,376	79,435	51,562	36,997	28,289	28,072	— 466
Prof. dividend, 5%	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Ordinary dividend	19,376	9,686	—	—	—	—	—
	(5%)	(2½%)					
Written off capital expenditure	20,000	40,000	18,000*	10,000	12,000	—	—
	11,000	4,749	8,662	1,997	—8,711	3,072	—25,466
Brought forward	29,348	24,599	18,037	14,040	22,751	19,679	45,145
Carried forward	40,348	29,348	24,599	18,037	14,040	22,751	19,679

* Includes £3,000 placed to bad debt reserve.

The great improvement that has occurred since 1908 is thus evident. Further evidence of improvement will be noticed in the larger sums provided for depreciation. Formerly the very unwise policy of refusing to provide definite sums for depreciation was followed, but during the past five years this policy has been altered and substantial sums have been written off capital expenditure year by year. Moreover, the chairman pointed out that, though the profits were sufficient to return to the 10 per cent. distribution rate previously forthcoming, so long as things remain as they are he did not think it likely that the directors would recommend a higher rate of distribution than that of last year.

Profits, however, seem likely to expand, and it may not be long, therefore, before a return is made to the former 10 per cent. rate, and as on the basis of a 5 per cent. distribution the yield to an investor at recent prices is over 6½ per cent. the shares are worth the attention of investors desiring an interest in a Company of the kind. On the prior securities the yields are also very good, as may be seen from the following statement:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
500,000	4% Debs.	100	75½	4	5 7 9
500,000	5% Debs.	100	83½	5	5 8 1
500,000	5% Preference shares	10	7½	5	6 10 9
37½,000	Ordinary shares	10	7½	5	6 15 2

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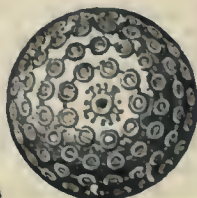
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British Insulated and Helsby Cables, Ltd.

HELSEBY, near Warrington



CURTIS'S AND HARVEY, LIMITED.

This Company was formed in 1898 to unite eight concerns manufacturing black and smokeless military, sporting and blasting powders. The combination was formed with a share capital of £600,000, of which £450,000 was taken by the vendors, the remainder being retained for future issue while the public were offered an issue of £400,000 of First Mortgage Debenture Stock. Practically no change occurred in capital until 1910 when, owing to some of the factories being no longer worked, a loss in capital value occurred and the capital account was accordingly reorganised. At the present time, therefore, the capital in issue, consists of £453,000 of 4½ per cent. Debenture stock and £286,250 of Ordinary shares of £1 each. At the end of 1913 there was a reserve account of £60,000 and an accident reserve of £15,000. During the past five years a steady increase has occurred in profits, and for 1913 the gross profit amounted to £70,310, as compared with £46,578 for 1909. The result is that the dividend has risen from 3½ per cent. to 10 per cent. This may be seen from the following statement:—

Year ended Dec. 31—	1913	1912	1911	1910	1909
	£	£	£	£	£
Gross profit ...	70,310	62,494	53,237	£3,154	46,578
Expenses ...	1,940	3,735	3,403	3,932	3,486
Depreciation ...	1,000	1,401	2,100	2,000	2,070
Net profit ...	67,370	57,358	47,834	47,222	41,092
Debenture interest ...	19,253	19,253	19,253	19,253	19,253
Ordinary dividend ...	26,854	20,216	17,521	17,521	15,095
	(10%)	(7½%)	(6½%)	(6½%)	(3½%)
Reserves ...	20,000	5,000	10,000	9,515	3,000
Balance ...	1,163	2,889	1,060	933	3,744
Brought forward ...	15,449	12,560	11,500	10,567	6,823
Carried forward ...	16,612	15,449	12,560	11,500	10,567

The Company has ten factories working in England and Scotland, some manufacturing black powder. There is a large and up-to-date factory on the Thames where the Company makes cordite and high explosives such as gelnite, dynamite, cheddite, etc., and one at Tonbridge where smokeless sporting powders are made. The Company manufactures cordite for the Government, and an increasing business from this source is likely to be experienced. On the Debenture stock a yield of 5½ per cent. is obtainable, while the £1 Ordinary share at 1½ gives a yield on last year's basis of nearly 11¼ per cent., as may be seen from the following:—

Amount	Description	Par	Price	Dividend	Yield
£		£	£	%	£ s. d.
453,000	4½ % 1st Mort. Deb. stock ...	100	76½	4½	5 13 4
286,250	Ordinary shares ...	1	1½	10	11 4 7

NATIONAL EXPLOSIVES COMPANY.

This Company has had a varying career, and while for several years up to 1902 it paid large dividends, since that time a much less satisfactory time has been experienced, and in 1907 a reorganisation of the capital took place. Even so, however, partly owing to high prices ruling for raw materials, especially the abnormally high prices of glycerine and the inability of the manufacturers to increase the prices of manufactured explosives, the Company continued to do badly, though during the past two years a change for the better has occurred. For the twelve months to October 1912 the Company was able to show a profit as against losses for previous years. For the year to October 1913 the trading profit of £21,278 was secured, as compared with £9,603 for the previous year. The result is that it was possible to write off various items from the balance sheet, and at the present time the Company is stronger than it has been for some years past. There is outstanding £44,000 of Six per Cent. Debenture stock, while the capital in issue is £124,820. The trading for the current year is expected to be satisfactory; and, in view of the increased demand that will occur from

Government orders, the Company should build up a still stronger position. The £1 share stands at about 6s. 6d.

NEW EXPLOSIVES COMPANY, LIMITED.

This Company has shown very fluctuating results, and while on two occasions it was able to distribute very large dividends, there have also been times when losses instead of profits have been shown. During recent years the Company has done moderately well, but the information afforded is not very great, no profit and loss account is published, and the balance sheet merely shows the amount remaining at the credit of profit and loss account after providing for depreciation of property purchase account "and making due allowance for interest on Debentures and all other charges and engagements." For 1913 the figure was shown as £6,000, being the amount required for a dividend of 6 per cent. The past seven years' results are shown as follows:—

Year	Profit	Dividend	
	£	£	%
1913 ...	6,000	6,000	6
1912 ...	4,860	4,860	6
1911 ...	4,050	4,658	5½
1910 ...	4,050	4,455	5½
1909 ...	4,050	4,195	5½
1908 ...	4,050	3,645	4½
1907 ...	3,375	2,700	4

COTTON POWDER COMPANY, LIMITED.

This Company is an old-established explosives manufacturing concern dating back to 1873. It is one of some importance in the industry, and is one of the contractors to the War Office and Admiralty, manufacturing cordite, gun-cotton, blasting explosives, &c. We are unable to deal fully with the position of this Company, as it not only refuses to supply us with copies of its balance sheets since 1908, with the exception of last year, but also has adopted the somewhat incomprehensible position of refusing to lend us a copy of the same. For 1913 a trading profit of £66,598 was made and a dividend of 10 per cent. was paid on the Ordinary share capital of £60,000. A sum of £15,500 was carried to reserve fund and £14,000 was set aside for factory renewal fund. The £1 Ordinary share is quoted at 1½, thereby giving a yield of nearly 6 per cent. on last year's dividend.

AMERICAN COTTON.

LIVERPOOL, Thursday.

THE Liverpool Cotton Market was closed suddenly on Friday, 31st ult., in consequence of cables reporting a panic on the New York Exchange. Both New York and New Orleans closed down. Had Liverpool remained open, it would have been flooded with selling orders. The authorities of the three exchanges after consulting together, decided that their respective markets should remain closed indefinitely. We understand that no re-opening of the markets will be proposed until the three exchanges—Liverpool, New York, and New Orleans—can see their way to open simultaneously.

The severe crisis through which we have just passed found Liverpool in a thoroughly sound condition to withstand the strain. Open commitments are unusually small, and the essentially solvent position of the market is shown by the fact that the settlement, involving a difference of nearly ½d. per lb., and the payment of very heavy amounts of money, went through on Tuesday without a hitch, not a single member claiming the privilege of the moratorium. The directors and committee are to be congratulated on the promptness with which they acted in a dangerous emergency, and on the way in which they have conserved the interests of importers, bankers, and consumers.

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Limited.

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" (Paid Up) : : £80,000

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M. GREGORY, Managing Director.

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Manager: J. HERBERT E. LANE.

Actuary and Secretary:

CHAS. WINDETT.

Commercial.

GRAIN SUPPLIES AND THE WAR—II.

MAINLY owing to the difficulties experienced in connection with the financial part of business, as was only to be expected considering the exceptional conditions now prevailing as a result of the war, trade is very slow in expanding, but there will, no doubt, be a steady, if only gradual, improvement in this respect. With reference to prices, they must, as stated last week, be expected to rule at an appreciably higher level than in the past two years; but there is plenty

of wheat in the world to satisfy all requirements, say, for the next nine months, whilst as regards the last few months of the season just commenced, very much will depend on the results of the Argentine, Australian and Indian crops. Provided fair average yields are obtained in these three countries, then there will be sufficient supplies of wheat available for the whole twelve months, both for European and non-European importing countries. If prices should rule at a higher level than at present appears probable, there will no doubt be a certain amount of economy exercised, reducing the requirements to some extent. As stated last week, there is no question of scarcity as far as the wheat itself is concerned; it is more a question of the Government, with the help of the Navy, being able to guarantee the security of the vessels carrying the cargoes from the different exporting countries, and especially from America.

Last week we gave a tabular statement showing the average production of wheat in some of the principal countries of Europe and the average quantity of wheat imported. The following statement shows the estimated requirements and surpluses for the present season, based on present crop prospects in Europe and America, and allowing for average yields in the countries harvesting their crops in the latter part of this and the early part of next year:—

	Estimated Requirements Qrs.		Estimated Surpluses Qrs.
United Kingdom	27,100,000	United States	33,000,000
France	7,000,000	Canada	9,000,000
Germany	8,000,000	Russia	15,000,000
Holland and Belgium	9,000,000	Argentina	3,000,000
Italy	7,100,000	Roumania	4,000,000
Austria-Hungary	4,500,000	India	5,000,000
Other European countries	7,500,000	Australia	6,500,000
Non-European countries	11,000,000	Other countries	500,000
Total	81,500,000	Total	82,000,000

It will be seen by the above statement that the quantity of wheat available from exporting countries is about equal to the requirements of importing countries, although, of course, much will depend on the yields in Australia, Argentina and India. In the estimates given above for these countries it has been assumed that normal climatic conditions will be experienced, as there is just as much chance of the crops being over as there is of their being under the average.

The net imports into the United Kingdom in the season ended July 31 have amounted to 26,250,000 qrs.; last year's English crop amounted to 7,000,000 qrs., making a total supply of 33,250,000 qrs. Stocks in first hands decreased 450,000 qrs. as compared with a year ago, whilst it is most probable that invisible reserves also decreased, say to the extent of 500,000 qrs. This would make the total consumption in the United Kingdom 34,200,000 qrs. This year's crop being estimated at fully 7½ million quarters, an import of 27 million quarters would give a total supply of 34½ million quarters, leaving stocks as large at the end of the season as at the present time.

France.—Latest advices regarding this year's crop in France are more favourable, especially as regards some of the more important producing districts; this applies more particularly to the quantity. The weather had been unsettled up to a short time ago, and complaints were becoming more general, the harvest being delayed and the wheat being gathered in damp condition. Since Sunday climatic conditions have been very favourable, and a good spell of fine weather would still enable a large proportion of the crop to be harvested ready for immediate use. The saving of the crops in France, as well as most other European countries, will no doubt take longer than usual, as there is bound to be a scarcity of labour, so many men being called out to join the colours. Some Australian cargoes arrived off the coast have been

bought at 45s. this week for Havre, and have sailed for that port. Provided the native wheat be secured in good condition it will not be absolutely necessary for France to buy large quantities of wheat until later in the season. In all probability an import of 7,000,000 quarters will prove to be amply sufficient.

Germany.—This country in all probability will, while the war lasts, have to satisfy its requirements with native wheat. Quite a number of steamer cargoes bought for Germany have already been either captured or diverted by the owners to United Kingdom ports. With fairly good crops of both wheat and rye there will be no necessity to trouble about foreign supplies until the latter part of the season. It is most probable, under the circumstances, that Germany will import less than the 8 million quarters allowed for.

The remaining European importing countries, whether combatants or non-combatants, in view of the greatly increased expenditure caused directly or indirectly by the war, will all economise wherever possible; it is, therefore, quite probable that the total consumption of imported wheat will be appreciably below the average; and this, apart from the fact that, as stated previously, the world's production of wheat is as large as in any previous year, with the exception of 1913, should tend to keep prices at what may be considered a moderate level, taking everything into consideration. Shipments last week from all countries, with the exception of North America, were small, and below the estimated weekly requirements. Most of the American wheat was despatched before England was involved in the war, and exports during the past few days have been very much smaller. Really large shipments, even from the United States and Canada, can hardly be expected in the immediate future; but with the insurance difficulty against war risks settled, and a gradual return of confidence between buyers and sellers, trade conditions will steadily improve and exports increase. As shown earlier in this article there is no shortage of wheat in view, but it is much to be desired that the European harvests be now favoured with a long spell of fine weather, so that, pending the arrival of large quantities of foreign wheat, home-grown wheat can be gathered in a condition fit for immediate use and a large admixture of foreign not be necessary.

The official crop report issued a few days ago by the American Agricultural Bureau shows that there was a material deterioration in the condition of spring wheat during July, the indicated yield on August 1 being 236 million bushels, against 275 million bushels on July 1. On the other hand, the yield of winter wheat is estimated at 675 million bushels, against 655 million bushels last month; the total deficiency compared with a month ago is, therefore, only 19 million bushels. The total yield still promises to be no less than 911 million bushels, against 763 million bushels last year and a five-year average of 686 million bushels. The estimated home consumption is 600 to 610 million bushels, but will probably be moderately larger this year as, until the new crop of maize is available, some winter wheat will be used for feeding purposes. Now, however, that the level of wheat prices promises to be much more attractive to farmers than seemed at all probable a few weeks ago, less wheat will be used for feeding purposes than would have been the case had prices kept low. If the wheat should be wanted America can give Europe an immense quantity this year, namely, about 260 million bushels; whilst the level of prices promises to be more satisfactory to farmers than for a long time past. Although the maize crop promises, according to the last official report, to be about 200 million bushels larger than that of 1913, it is much smaller than in 1912 or 1910, but is only moderately below the five-year average of 2,710,000,000 bushels. The following table gives the estimated yields of wheat, maize, oats, and barley in

the United States for the past six years, and the average yield for the preceding five years:—

WINTER WHEAT.					Yield Per Acre Bushels	Total Yield Bushels
1914	...	...	...	...	35,387,000	675,000,000
1913	...	...	...	...	31,693,000	523,561,000
1912	...	...	...	...	26,571,000	399,919,000
1911	...	...	...	...	29,162,000	420,663,000
1910	...	...	...	...	27,229,000	434,142,000
1909	...	...	...	...	28,320,000	403,027,000
Average five years, 1909-13...					28,618,000	438,260,000
SPRING WHEAT.					Yield Per Acre Bushels	Total Yield Bushels
1914	...	...	...	...	17,990,000	236,000,000
1913	...	...	...	...	18,485,000	239,819,000
1912	...	...	...	...	19,245,000	330,348,000
1911	...	...	...	...	20,381,000	190,682,000
1910	...	...	...	...	19,778,000	200,979,000
1909	...	...	...	...	18,393,000	280,823,000
Average five years, 1909-13...					19,256,000	248,530,000
MAIZE.					Yield Per Acre Bushels	Total Yield Bushels
1914	...	...	...	...	105,067,000	2,644,000,000
1913	...	...	...	...	105,820,000	2,446,988,000
1912	...	...	...	...	107,083,000	3,124,746,000
1911	...	...	...	...	105,825,000	2,531,488,000
1910	...	...	...	...	104,035,000	2,686,260,000
1909	...	...	...	...	98,383,000	2,552,189,000
Average five years, 1909-13...					104,229,000	2,710,000,000
OATS.					Yield Per Acre Bushels	Total Yield Bushels
1914	...	...	...	...	33,383,000	1,153,000,000
1913	...	...	...	...	33,341,000	1,122,139,000
1912	...	...	...	...	37,844,000	1,418,337,000
1911	...	...	...	...	37,763,000	922,000,000
1910	...	...	...	...	37,548,000	1,186,000,000
1909	...	...	...	...	35,159,000	1,007,000,000
Average five years, 1909-13...					37,331,000	1,131,000,000
BARLEY.					Yield Per Acre Bushels	Total Yield Bushels
1914	...	...	...	...	7,528,000	203,000,000
1913	...	...	...	...	7,499,000	178,189,000
1912	...	...	...	...	7,530,000	223,824,000
1911	...	...	...	...	7,627,000	160,240,000
1910	...	...	...	...	7,743,000	173,832,000
Average four years, 1910-13...					7,600,000	184,000,000

The war, whilst a terrible misfortune for Europe, will be the means of putting vast sums of money into the pockets of American farmers and others interested in the grain trade in that country. Prices are bound to rule fairly high, and large quantities of wheat, maize, oats, and barley will be required by Europe; America will have to supply a very large proportion of these requirements. North America alone has sufficient wheat to supply the whole of the requirements of the United Kingdom, France, Holland, and Belgium, but it depends upon the English Navy whether this wheat can be delivered safely at the various ports or not. The financial part of the business may, at least for a time, require the assistance of the Government. Under the conditions now ruling shippers are naturally not disposed to forward wheat, or any other grain, unless they can feel sure of obtaining payment for same.

LANCASHIRE COTTON INDUSTRY.

So far as production is concerned the position of affairs in the Lancashire cotton trade has got worse during the past week. Spinners and manufacturers have been unable to get any instructions as to deliveries, and the output in both yarn and cloth has had to be still further curtailed. The scheme of the Government to the extent of guaranteeing any loss which may be incurred by the Bank of England in discounting bills has been very favourably received, and at the time of writing the financial outlook is much brighter than at the beginning of the week. It is hoped that in a few days' time some sailings of ships containing goods will be arranged to the Eastern and Far Eastern outlets. The Government is keeping trade routes open.

Our shipments of cloth last month were on a

large scale, as will be seen from the following comparative table:—

		July Yards	Seven Months ended July 31 Yards
1914	...	628,770,100	4,095,023,400
1913	...	638,971,100	4,221,759,900
1912	...	635,360,900	3,911,720,400

We must, of course, expect a decided decrease in the takings during the present month. So far this year on last we have been sending more freely to China (59,952,000 yards), Turkey (52,866,000 yards), Greece (22,237,000 yards), Egypt (16,954,000 yards), British West Africa (16,349,000 yards), Roumania (15,494,000 yards). The chief decreases are Bombay (65,874,000 yards), Argentine Republic (62,105,000 yards), Bengal (62,015,000 yards), Brazil (36,241,000 yards), Canada (21,798,000 yards), Colombia and Panama (20,362,000 yards).

Our foreign trade in yarn at the moment is entirely blocked, but up to the end of July our shipments compare very favourably with last year, as will be seen from the following table:—

		July Lb.	Seven Months ended July 31 Lb.
1914	...	19,863,300	133,280,500
1913	...	18,620,200	123,029,200
1912	...	20,623,800	145,229,600

So far this year on last our chief increases are the Netherlands (4,980,000 lb.), Bulgaria (2,813,000 lb.), Roumania (2,626,000 lb.), Bengal (1,644,000 lb.), Bombay (1,269,000 lb.), Germany (766,000 lb.). The principal decreases are Austria-Hungary (1,262,000 lb.), Canada (737,000 lb.), Russia (571,000 lb.), Argentine Republic (463,000 lb.), Egypt (267,000 lb.), China (131,000 lb.).

Our foreign trade in textile machinery shows signs of falling off quite apart from the present crisis, which, of course, will accentuate the position of affairs. The following is a comparative table of exports:—

	July	£	Seven Months ended July 31 £
1914 { Spinning ...	479,159	648,767	{ 3,027,762 1,011,335 530,470 }
1914 { Weaving ...	112,963		
1914 { Other ...	56,645		
1913 ...	...	680,110	4,709,237
1912 ...	...	583,658	3,930,104

The chief increases so far this year on last are British East Indies (£124,746), China (£118,992), Japan (£39,524), United States (£38,810), Russia (£27,309); whilst the principal decreases are South America (£165,359), Germany (£94,707), Netherlands (£38,999), France (£25,722).

OUR INDEX-NUMBER OF PRICES.

(In Continuation of Sauerbeck's Figures.)

The following are THE STATIST'S index-numbers of the prices of 45 commodities, the average of the 11 years 1867-77 being 100:—

Annual Numbers.			Monthly Numbers.		
Period	Average		Month	Index No.	
1878-87...	79		July 1896	59.2	
1890-99...	66		May 1907	82.4	
1904-13...	77		February 1909	71.9	
1880	88		December 1911	80.9	
1896	61		January 1912	81.8	
1897	62		March 1913	86.7	
1898	64		April 1913	86.2	
1899	68		May 1913	85.7	
1900	75		June 1913	84.1	
1901	70		July 1913	84.2	
1902	69		August 1913	85.0	
1903	69		September 1913	85.7	
1904	70		October 1913	84.5	
1905	72		November 1913	83.3	
1906	77		December 1913	83.8	
1907	80		January 1914	83.5	
1908	73		February 1914	83.8	
1909	74		March 1914	82.8	
1910	78		April 1914	82.3	
1911	80		May 1914	82.3	
1912	85		June 1914	81.2	
1913	85		July 1914	82.4	

There has been a recovery in the index-number for July from 81.2 to 82.4. To some extent this is, of course, attributable to the extraordinary state of affairs existing at the close of the month, which resulted in considerable advances in the prices of certain foodstuffs, and, on the other hand, in declines in various classes of materials. The index-number of foodstuffs for July increased to 78.2, as compared with 74.8 for June; while in the case of materials the index-number works out at 85.5 for July, against 85.7 for June.

Taking articles of food and materials separately, the index-number for July compares thus (1866-77=100 in both cases):—

	Average	1878	1890	1904	1896	1907	1909	1912	1913	1913	1914	1914
		-87	-99	-13	Feb.	July	May	Feb.	July	Sept.	Dec.	June
Food...	84	68	73	63.8	60.0	73.5	70.8	84.4	76.5	75.7	74.8	78.2
Matrls.	76	64	81	57.0	58.6	88.9	72.6	88.0	92.4	89.8	85.7	85.5

Among vegetable foods, in which there has been a recovery of 8.1 per cent., the greatest appreciation has occurred in American wheat, flour, and maize. In the case of animal food a rise of 4.1 per cent. has been due to an all-round improvement in prices, more particularly in the cases of bacon and butter. Owing to the somewhat heavy fall in coffee the index-number of sugar, coffee, and tea is 3.5 per cent. lower. Among minerals there has been a fairly general falling-off with the exception of iron, and as a result the index-number has declined 2.8 per cent. The drop in cotton has been more than offset by the considerable rise in the prices of flax and jute, and consequently textiles have gained 3.1 per cent. Various changes have occurred in sundry materials, more especially in leather and wood.

Comparison of the prices of the various classes in July with the previous month and with former periods is as follows:—

	1878	1890	1904	1912	1913	1914	1914	Month's Rise
	-87	-99	-13	Dec.	Dec.	June	July	(+) or Fall (-) %
Vegetable food (corn, &c.)...	79	61	68	72.6	65.6	66.5	71.9	+5.4 +8.1
Animal food (meat & butter)	95	80	91	96.9	100.5	97.5	101.5	+4.0 +4.1
Sugar, coffee and tea	76	53	63	57.7	52.4	51.8	50.0	-1.8 -3.5
Minerals	73	71	96	117.3	102.5	96.7	94.0	-2.7 -2.8
Textiles	71	58	74	82.5	88.3	80.6	83.1	+2.5 +3.1
Sundry materials	81	66	76	83.2	84.2	82.5	81.7	-0.8 -1.0

Mainly in consequence of the political situation and of the unwillingness of everyone to purchase the metal as a result of Money-market conditions the price of silver declined at the end of the month to 23½d., which is the lowest quotation touched since February 1911.

The price and index-number of silver for July compare as follows (60.84d. per oz. being the parity of 1 gold to 15½ silver=100):—

	Price d.	Index No.	End of	Price d.	Index No.
Average 1890-99	34	= 55.8	December 1906	32½	= 53.1
Average 1904-13	26½	= 44.1	December 1909	24½	= 39.9
Average 1893	35½	= 58.6	December 1912	29	= 47.7
Average 1909	23½	= 38.9	December 1913	28½	= 43.7
Average 1910	24½	= 40.5	March 1914	26½	= 43.9
Average 1911	24½	= 40.4	April 1914	27½	= 44.8
Average 1912	28½	= 46.1	May 1914	26	= 42.7
Average 1913	27½	= 45.3	June 1914	26	= 42.7
Lowest, Nov. 1902	21½	= 35.8	July 1914	23½	= 39.0

"Poor's Manual of Public Utilities for 1914" contains about 400 new statements. It is 248 pages larger than the previous volume, and 300 new comparative statements have been added. Descriptive and financial statements are given as to the public service corporations in the United States and of many other countries. The income accounts and balance sheets of many of the more important companies are presented in comparison with those of former years. The work is published by Poor's Railroad Manual Company, 335 Pearl Street, New York, U.S.A.

ALEXANDERS and CO., LTD.

24 Lombard Street, E.C.
 Capital £1,000,000
 Subscribed 900,000
 Paid up 570,000
 Reserve Fund 100,000

The Rate of Interest allowed on Deposits has been this day reduced to 4 per Cent. at Call and 4½ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.
 F. NEWCOMB, Manager.
 August 8, 1914.

NATIONAL DISCOUNT COMPANY, LIMITED.

Subscribed Capital £4,233,325
 Paid-up Capital 846,665
 Reserve Fund 505,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on Deposit are reduced as follows:—

To 4 per Cent. per annum at call.
 To 4½ per Cent. at 7 and 14 days' notice.

PHILIP HAROLD WADE, Manager.
 Approved Mercantile Bills discounted. Loans granted upon negotiable securities. Money received on Deposit at Call and short notice, and interest allowed at the current market rates; and for longer periods upon specially agreed terms.
 No. 35 Cornhill, E.C., August 8, 1914.

THE UNION OF LONDON AND SMITHS BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the RATE of INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be Three and a-half per Cent. per annum from this date until further notice, which will be given by advertisement only.

H. H. HART, Manager (Town and Foreign).
 L. E. THOMAS, Manager (Country).
 No. 2 Priests Street, E.C.:
 August 8, 1914.

BRITISH LINEN BANK (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3½ per Cent. until further notice.

JAMES LITTLE, Manager.
 Threadneedle Street, London, E.C.:
 August 8, 1914.

LONDON & SOUTH-WESTERN BANK, LIMITED.

Head Office, 170 Fenchurch Street, E.C.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day reduced to 3½ per Cent. per annum.

H. H. HAMBLING
 General Manager.
 August 8, 1914.

BANK OF SCOTLAND (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts will be 3½ per Cent. until further notice by advertisement.

WILLIAM SMILES, Manager.
 No. 30 Bishopsgate, E.C.:
 August 8, 1914.

THE LONDON JOINT STOCK BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day reduced to 3½ per Cent. per annum.

CHARLES GOW, General Manager.
 5 Princes Street, Mansion House:
 August 8, 1914.

THE COMMERCIAL BANK OF SCOTLAND, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. until further notice by Advertisement.

GEO. S. COUTTS, Manager.
 No. 62 Lombard Street, London, E.C.:
 August 8, 1914.

LONDON COUNTY AND WESTMINSTER BANK LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors is this day reduced to the following Rates, viz.:—

On Deposits subject to seven days' notice 3½ per Cent., and on Deposits at Call 3 per Cent. until further notice.

F. J. BARTHORPE,
 Head Office Manager.
 No. 41 Lothbury, E.C.:
 August 8, 1914.

PARR'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposit at seven days' call is 3½ per Cent. per annum until further notice.

R. W. WHALLEY,
 Director and General Manager.
 Bartholomew Lane, E.C.:
 August 8, 1914.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at its Head Office, Bishopsgate, and London Branches, is this day reduced to 3½ per Cent. for money placed on Deposit at seven days' notice.

T. ESTALL,
 D. J. H. CUNNIK, } Joint General
 F. ELEY, } Managers.
 No. 15 Bishopsgate, London, E.C.:
 August 8, 1914.

LLOYDS BANK LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is reduced to 3½ per Cent. for money at seven days' notice.

HENRY BELL,
 General Manager.
 No. 71 Lombard Street:
 August 8, 1914.

THE LONDON CITY AND MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches will be 3½ per Cent. until further notice.

J. M. MADDERS,
 S. B. MURRAY, } Joint General
 F. HYDE, } Managers.
 No. 5 Threadneedle Street, E.C.:
 August 8, 1914.

THE UNION BANK OF SCOTLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 3½ per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.
 London Office, 62 Cornhill, E.C.:
 August 8, 1914.

THE CLYDESDALE BANK, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. per annum until further notice.

JOHN CRAIG, Manager.
 30 Lombard Street, London, E.C.:
 August 8, 1914.

MARTIN'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 3½ per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN,
 Managing Director.
 No. 68 Lombard Street, E.C.:
 August 8, 1914.

THE CAPITAL AND COUNTIES BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on DEPOSITS Repayable on SEVEN DAYS' NOTICE is this day reduced to 3½ per Cent. per annum.

G. A. HARVEY, } Joint General
 E. D. VAIBEY, } Managers.
 No. 39 Threadneedle Street, E.C.:
 August 8, 1914.

ROYAL BANK OF SCOTLAND (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3½ per Cent. until further notice.

W. WALLACE, Manager.
 No. 3 Bishopsgate, E.C.:
 August 8, 1914.

WILLIAMS DEACON'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 3½ per Cent. per annum from this date until further notice.

JOHN J. MEAGHER,
 Manager.
 20 Birchlin Lane, E.C.:
 August 8, 1914.

THE NATIONAL BANK OF SCOTLAND, LIMITED, Incorporated by Royal Charter and Act of Parliament.

London Office: NICHOLAS LANE, LOMBARD STREET.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. per annum for money at seven days' notice.

J. FERGUSON, Manager.
 August 8, 1914.

ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

Head Office 38 Lombard Street, E.C.

Subscribed Capital £1,078,875 0 0
 Paid-up Capital 539,437 10 0
 Further Liability of Proprietors 539,437 10 0
 Reserve Fund 300,000 0 0

LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING and EXCHANGE business of every description transacted with Australia.
 E. M. JANION, Manager.

BANK of NEW SOUTH WALES. Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up-Capital, £3,500,000
 Reserve Fund, 2,450,000
 Reserve Liability of Proprietors, 3,500,000
 £9,450,000



The London Office issues Drafts on demand on the Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager.

THE FINANCIAL POST OF CANADA,

"The Canadian Newspaper for Investors."

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

THE INVESTORS' INFORMATION BUREAU

will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

GREAT BRITAIN and COLONIES 12s. 6d. per annum.

FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

HEAD OFFICE—TORONTO, CANADA.

**THE ANGLO-EGYPTIAN
BANK, LIMITED.**

SUBSCRIBED CAPITAL.....£1,500,000.
PAID UP, £500,000. RESERVE FUND, £680,000.
BRANCHES: Alexandria, Cairo, Beni-Souef, Mansourah, Port Said, Tanta, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England, The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4 per cent. per annum.

On current accounts, interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clements Lane, Lombard Street, E.C.

BANK OF NEW ZEALAND

Incorporated by Act of General Assembly,
July 29, 1881.
(Bankers to the New Zealand Government.)
LONDON OFFICE:—1 Queen Victoria St., London, E.C.

Four per Cent. Guaranteed Stock£1,000,000
15,000 Preference Shares of £6 13s. 4d. } 600,000
Issued to New Zealand Government
150,000 Ordinary Shares at £6 13s. 4d.,
£1,000,000—

Called up, £3 6s. 8d. per share ... 500,000
Uncalled, £3 6s. 8d. per share ... 500,000

Reserve Fund and undivided Profits ... 1,418,117

Negotiates and collects Bills of Exchange.
GRANTS DRAFTS on all its Offices in New Zealand, Australia and Fiji.

Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

**THE ANGLO-SOUTH
AMERICAN BANK, LIMITED.**

Authorised Capital—
Subscribed£4,500,000
Unissued 500,000
£5,000,000

Capital Issued and Paid up£2,250,000

Reserve Fund 1,560,000

Uncalled Liability of Shareholders ... 2,250,000

Total responsibility for Creditors£6,060,000

Head Office: OLD BROAD STREET, LONDON, E.C.
Paris Branch: 19 Boulevard des Capucines and
23 Rue de la Paix.

Hamburg Branch: 3 Adolphsplatz.
New York Agency: 60 Wall Street.

Branches and Correspondents in all the principal places of South America.

Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Funds, the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bonds, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

**LONDON AND BRAZILIAN
BANK, LIMITED.**
7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000
Shares of £20 each£2,500,000

PAID-UP CAPITAL..... 1,250,000

RESERVE FUND 1,400,000

Branches in Brazil at Rio de Janeiro, Pará, Ceará, Maranhão, Pernambuco, Bahia, Santos, São Paulo, Curitiba, Rio Grande do Sul, Porto Alegre, River Plate.—Buenos Ayres, Rosario, and Montevideo. United States.—New York (Agency). France.—Paris (5 Rue Scribe). Portugal.—Lisbon and Oporto.

Agents or Correspondents in all the principal cities of Brazil, Uruguay, Argentina, the United States and Europe.

Drafts, Letters of Credit, and Cable Transfers issued on Branches and Agents. Bills of Exchange negotiated or sent for collection, and every description of Banking business undertaken.

**THE COMMERCIAL BANKING
COMPANY OF SYDNEY, LIMITED.**

Established 1834. Incorporated in New South Wales.

Capital Paid up£2,000,000 0 0
Reserve Fund..... 1,730,000 0 0
Reserve Liability of Shareholders 2,000,000 0 0
£5,730,000 0 0

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australia negotiated or collected. Remittance cables.

Deposits received for fixed periods at rates to be ascertained on application.

London Offices—
18 Birch Lane, Lombard Street, E.C.
F. A. SCRIVENER, Manager.

**PRUDENTIAL ASSURANCE
COMPANY, LIMITED.**

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED · £88,000,000
CLAIMS PAID · · · · · £110,000,000

LIVERPOOL COURIER

The newspaper of the business man of Lancashire and Cheshire. No business house of any standing is without it.

The organ of the wealthy classes of the North-Western Counties and of North Wales. Its influence is wide and far reaching.

It is the best provincial medium for all classes of financial advertising. Investors in a wide area can only be thoroughly reached through its columns.

An application to the London Manager,
81 Fleet Street, E.C., will bring details
of Charges. Private wire to Liverpool
is open day and night.

The Liverpool Courier**THE NATIONAL BANK OF SCOTLAND LIMITED**

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.
RESERVE FUND, £900,000.

Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

BANK OF MONTREAL.

Established in 1817.
 Capital Paid up, \$16,000,000.
 Reserve Fund, \$16,000,000.
 Undivided Profits, \$1,098,968.
 H. V. Meredith, Esq., President.
 R. B. Greenfields, Esq., Sir William Macdonald,
 R. B. Angus, Esq., Hon. Robert Mackay, Sir Thomas
 Shaughnessy, K.C.V.O., David Morrice, Esq., C. R.
 Hosmer, Esq., A. Baumgarten, Esq., C. B. Gordon, Esq.,
 H. R. Drummond, Esq., D. Forbes Angus, Esq.,
 William McMaster, Esq.
 Head Office: Montreal.
 General Manager: Sir Frederick Williams-Taylor.
 Assistant General Manager: A. D. Braithwaite, Esq.
 Branches and Agencies throughout Canada and
 Newfoundland; also at New York, Chicago and
 Spokane in the United States, and at Mexico City.

LONDON OFFICES:
 47 Threadneedle Street, E.C., and
 9 Waterloo Place, Pall Mall, S.W.
 London Committee: Sir Thomas Skinner, Bart.,
 A. Macnider, Esq.,
 Manager: George Cyril Cassels.

Financial Agents of the Government of the Dominion of Canada.

The Bank undertakes monetary business with all
 parts of Canada, Newfoundland, the United States and
 Mexico, and issues Sterling and Currency Drafts and
 Cable Transfers.

THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000
 Capital Paid up - \$11,560,000
 Reserve Funds - \$13,570,000
 Aggregate Assets - \$180,000,000

Head Office—MONTREAL.
 H. S. HOLT, E. L. PEASE,
 President, Vice-President and General Manager.
 340 Branches in Canada and Newfoundland.
 28 Branches in Cuba, Porto Rico and Dominican
 Republic.

BRANCHES IN BRITISH WEST INDIES.
 BAHAMAS—Nassau; BARBADOS—Bridgetown;
 GRENADA—St. George's; JAMAICA—Kingston;
 TRINIDAD—Port of Spain; San Fernando.
 Branch in British Honduras—BELIZE.
 Branches in British Guiana—GEORGETOWN AND
 NEW AMSTERDAM.

New York Agency: Corner William & Cedar Streets.
 LONDON OFFICE:

2 Bank Buildings, Prince Street, E.C.
 W. M. BOTSFORD, JAMES MACKIE,
 Manager, Joint Manager.

The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356
 Reserve Fund & Undivided Profits } (\$7,248,134) £1,489,343

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, C.V.O.
 VICE-PRESIDENT—K. W. BLACKWELL
 GENERAL MANAGER—E. F. HEBDEN.

This institution has 218 Branches and Agencies
 extending from the Atlantic to the Pacific (100 being
 in the Western Provinces).

Every facility offered to the business of immigrants;
 Savings Department at all Branches, where interest
 is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in
 the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.
 The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable
 Transfers available at any banking point in Canada.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)
 Authorised Capital, £1,000,000. Subscribed Capital, £625,000.

Paid-up Capital £500,000
 Reserve Fund £100,000

£1,010,000

Uncalled Capital 125,000
 Reserve Liability of Shareholders 625,000

£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to
 be ascertained on application.

PERCY ARNOLD, Manager.

HARRIS, FORBES & CO

NEW YORK

27 Austin Friars, London, E. C.

American and Canadian high grade
 Municipal, Railroad and Public Utility

BONDS FOR INVESTMENT

Telegraphic Address: Saharforb Thread

LONDON BANK OF AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital £1,278,747 10 0
 Paid-up Capital 548,392 10 0
 Uncalled, including Reserve Liability 728,355 0 0
 Reserve Fund and Undivided Profits 295,071 11 2

Remittances made by Cable. Drafts, Letters of
 Credit and Circular Notes issued upon Branches and
 Agents. Bills on Australasia negotiated or sent for
 collection. Deposits received for periods and at rates
 which may be ascertained on application, and
 every description of Banking business conducted
 with Australia.

NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... £750,000
 Subscribed and Paid-up Capital ... £240,000

HEAD OFFICE ... AMSTERDAM.
 LONDON AGENCY ... 2 GT. WINCHESTER ST., E.C.
 LONDON MANAGER J. COST BUDDE.

All descriptions of Banking Business connected
 with South Africa transacted on terms which may
 be ascertained on application.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000
 Capital Issued ... 1,125,000
 Capital Paid Up ... 562,500
 Reserve Fund ... 465,000

Branches:
 INDIA, BURMAH, CEYLON,
 STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues
 Letters of Credit and Circular Notes, and transacts bank-
 ing and agency business in connection with the East, on
 terms to be had on application.

Deposits received for one year at 4 per cent. per
 annum. Rates for other periods on application.
 On current accounts interest is allowed at 2 per
 cent. per annum on daily balances.

RUSSIAN & ENGLISH BANK

28 NEVSKY, ST. PETERSBURG.

Capital authorised and fully paid up, £1,057,000.
 Reserve Fund, £126,000.

English members of the Council of the Bank—
 Lord Balfour of Burleigh, K.T., Rt. Honble. Austen
 Chamberlain, M.P., Ian H. Amory, J.P.

The Bank transacts every description of Banking
 Business; collects Cheques, Bills, Documentary Bills
 in all parts of the Russian Empire. Undertakes the
 agency of Banks and the purchase and sale of Russian
 Stocks and Shares.

London { Boulton Bros. & Co., 39 Old Broad St., E.C.
 Agents { Lloyds Bank Limited and Branches.

Telegraphic Address, Britorussie, St. Petersburg.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which is incorporated the Bank of Africa, Ltd.)
 Bankers to the Government of the Union of South
 Africa in the Transvaal and Orange Free State.

Bankers to the Imperial Government in South Africa.
 London Offices—Circus Place, London Wall, E.C., and
 17 Cannon Street, E.C.

Subscribed and Paid up Capital ... £2,350,000
 With power to increase to ... 4,000,000

Reserve Fund ... 700,000

Branches and Agencies in all the principal towns of
 South Africa.

Agents at Berlin, Hamburg, Paris and New York.
 Deposits received. Current Accounts opened, and
 all descriptions of Banking business connected with
 South Africa and the Belgian Congo transacted on
 terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Subscribed Capital ... £1,500,000

Called up ... £800,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £800,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T.
 (Chairman).

Sir JACOB E. SARSON, Bart. EMILE FRANCOU, Esq.
 J. O. GEORGE BOUILLAT, Esq. J. S. HASKELL, Esq.
 G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq.,
 O.M.G.

The Bank transacts every description of Banking and
 Agency business in connection with India on terms to
 be ascertained on application. Deposits are received
 for 1, 2, or 3 years at 4 per cent. per annum, and on
 current accounts interest is allowed at 2 per cent. per
 annum on the minimum monthly balances.

F. H. SUTTON, Manager.

THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000.
 SHAREHOLDERS' LIABILITY ... \$3,000,000.
 SURPLUS AND PROFITS ... \$6,880,000.

President—E. F. SHANBARGER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers
 made to all parts of the world. Letters of Credit
 issued in Sterling, available throughout the world,
 in Dollars throughout the United States, Canada,
 Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made every-
 where. Act as Agents for Foreign Banks to draw on
 the United States. Correspondence solicited.

Cable Address—London Agents—
 "FOURBANK." SAMUEL MONTAGU & CO.

NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and
 Uganda.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	} British East Africa Uganda
Bombay	Obittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Mandalay	Nairobi	
Cawnpore	Aden and	Nakuru	
Lehore	Adeo Point	Kisumu	
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	
Tatloocin		Jinja	

SUBSCRIBED CAPITAL ... £2,000,000
 PAID-UP CAPITAL ... £1,000,000
 RESERVE FUND ... £1,100,000

LONDON BANKERS—Bank of England; National
 Provincial Bank of England, Limited; National Bank
 of Scotland, Limited.

The Bank conducts every description of Eastern
 Banking business.

Deposits received for fixed periods at rates to be
 obtained on application. Interest payable June 30
 and December 31.

Current accounts are opened, and provided they do
 not fall below £200 interest is allowed on the minimum
 monthly balances at the rate of 2 per cent. per annum.

NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL ... £3,000,000

SUBSCRIBED CAPITAL ... £2,500,000

PAID-UP CAPITAL ... 750,000

RESERVE FUND ... 665,000

UNCALLED CAPITAL ... 1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or
 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances
 granted, and Bills on New Zealand purchased or sent
 for collection.

H. FRESH WATER, Secretary and London Manager.

17 Moorgate Street, London, E.C.

The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

VOL. LXXXI.—No. 1,904.]

SATURDAY, AUGUST 22, 1914.

PRICE 2d.
[POST FREE 4d. (U.K.).]

BRITISH BANK for FOREIGN TRADE, LIMITED.

(Formerly Anglo-Russian Bank, Ltd.)

AUTHORISED CAPITAL.....£1,500,000

ISSUED AND FULLY PAID UP CAPITAL.....£1,200,000

HEAD OFFICE:

48 BISHOPSGATE, LONDON, E.C.

London Clearing Bankers:

Bank of England; Lloyds Bank Ltd.

CURRENT ACCOUNTS.—Interest allowed by arrangement on minimum monthly balances at 2% per annum.

DEPOSIT ACCOUNTS.—Interest at a minimum of 4% per annum allowed for fixed periods of 3 months and upward.

Bills discounted | Foreign Exchange
Credits opened | Coupons Collected
Advances against Documents.

G. H. BUTTERFIELD, Manager.

BANCA COMMERCIALE ITALIANA.

HEAD OFFICE:—MILAN.

LONDON OFFICE:—1 Old Broad Street, E.C.

Paid-up Capital, £5,200,000. Reserve, £2,328,000.

Branches in Italy.—Alessandria, Acona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; and Agencies in numerous other Towns.

Agents in London for:—Banque Française et Italienne pour l'Amerique du Sud, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and Societa Commerciale d'Oriente, Tripoli, Africa.

AGENTS & CORRESPONDENTS in all parts of the world.

BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund £P.300,000

BRANCHES IN:
Pinar, Callao, Mollendo,
Chilayo, Cerro de Pasco, Arequipa,
Pacasmayo, Chinchua Alta, Cuzco
Trujillo, Ica, Iquitos,
Huacra, Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers, issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

HONGKONG AND SHANGHAI BANKING CORPORATION.

CAPITAL, all paid up \$15,000,000
RESERVE FUNDS
STERLING RESERVE, HELD
IN LONDON AT EXCHANGE
OF 2s. PER \$ = £1,500,000
STERLING INVESTED IN CON-
SOLS AND OTHER STERLING
SECURITIES..... \$15,000,000
SILVER RESERVE..... 17,650,000
\$32,650,000

RESERVE LIABILITY OF PROPRIETORS..... \$15,000,000

COUNT OF DIRECTORS AND HEAD OFFICE IN HONG KONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.
Henry Keswick, Esq. Sir Carl Meyer, Bart.
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.
Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, } Manager,
H. D. C. JONES, } in London.
JOHN MACLENNAN, Sub-Manager

W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP £3,703,704

RESERVE FUND £1,033,410

St. Petersburg. Moscow. Paris.

And over 100 Branches in Russia.

London Offices: 24 28 Lombard Street, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares, Dividends Collected, Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favorable terms.

Deposits are received for one year and over at 4 per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit issued. Remittances cable or mailed. Current accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,000 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

London Office: 36-38 New Broad Street, E.C.
C. A. B. CAMPION, Manager.

STANDARD BANK of SOUTH AFRICA, LTD.

BANKERS TO THE GOVERNMENT OF THE UNION OF SOUTH AFRICA IN CAPE PROVINCE; TO THE IMPERIAL GOVERNMENT IN SOUTH AFRICA; AND TO THE ADMINISTRATION OF NADROU.

HEAD OFFICE,

10 Clements Lane, Lombard Street, London, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 65 Wall Street.

OVER 200 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

SUBSCRIBED CAPITAL..... £8,194,100

PAID-UP CAPITAL..... £1,548,525

RESERVE FUND 2,000,000

UNCALLED CAPITAL 4,645,575

£8,194,100

BOARD OF DIRECTORS.

W. R. Arbuthnot, Esq. Hon. Sir Charles W. Fremantle, K.O.B.
Sir David Miller Barbour, K.C.M.G., K.O.S.I. Horace Peel, Esq.
Robert E. Dickinson, Esq. Lt. Hon. Lord Sydenham, G.C.M.G., G.C.S.I., G.C.I.E.
James Fairbairn Finlay, Esq., O.S.I. Lt. Hon. Lord Welby P.C., G.O.B.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nysaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms. DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED. MAIL and TELEGRAPHIC REMITTANCES made. LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the world. COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected. DIVIDENDS, ANNUITIES, ETC., received. EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

WILLIAM SMART, London Manager.

NATIONAL BANK OF TURKEY.

Subscribed Capital... .. £1,000,000

Paid up 250,000

President:

Sir HENRY BABINGTON SMITH, K.O.B., O.S.I.

Head Office: CONSTANTINOPLE.

Manager: H. P. KINGHAM.

London Committee:

THE HON. SIDNEY PEARL, Chairman.

The Hon. Hugo Baring. O.S. Gulbenkian, Esq.

H. Birchbrough, Esq., O.M.G. | It. H. Macaulay, Esq.

K. N. Meyer, Esq.

London Agency... .. 50 CORNHILL, E.C.

Manager, R. HEOHT.

General Banking Business Transacted.

BANCO DE CHILE.

LONDON AGENCY—

94 GRACECHURCH STREET, E.C.

Obilian Dollars, Paid-up Capital \$40,000,000

Reserve Fund 22,000,000

Reserve Liability of Shareholders 40,000,000

HEAD OFFICES: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

NATIONAL BANK OF EGYPT.

(Established by Khedival Decree, June 1898,

with the exclusive right to issue

Notes payable at sight to bearer.)

Capital, £3,000,000 (in 300,000 shares of £10 each,

fully paid). Reserve Fund, £1,500,000.

Governor—F. T. Rowlat, Esq. Head Office—Cairo.

London Committee—

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Algernon Mills. Hon. Sidney Peel.

LONDON AGENCY—

3 & 4 LOTHBURY, LONDON, E.C.

Manager—J. T. Beatty-Pownall.

Assistant Manager—A. F. Gillies.

Accounts opened with traders and private persons. Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiout, Assuan, Benha, Beni-Suef, Chibin-el-Kom, Damahur, Fayoum, Keneh, Luxor, Mansourah, Minieh, Mouky (Cairo) Port Said, Sohag, Tanta, and Zagazig; and in the Sudan at Khartoum, Port Sudan, and Suakin.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1890.

Subscribed Capital Yen 48,000,000

Capital Paid up..... " 30,000,000

Reserve Fund..... " 18,000,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien Kobe New York
Bombay Liao Yang Osaka | Peking
Calcutta London Ryojun | Port
Changchun Los Angeles Arthur
Dairen (Dalny) Lyons San Francisco
Hankow Fengtien Shanghai
Harbin (Mukden) Tientsin
Hong Kong Nagasaki Tientsin | Tokio
Houolulu Newchwang Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—

7 Bishopsgate, E.C.

CANADA.

THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.
C. A. BOGERT, General Manager.

LONDON BRANCH, 73 CORNHILL, E.C.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking Business transacted. Information
furnished regarding Canadian matters.CONSOLIDATED GAS,
ELECTRIC LIGHT AND POWER COM-
PANY OF BALTIMORE.

NOTICE IS HEREBY GIVEN that in accordance with corporate action duly taken the Consolidated Gas, Electric Light and Power Company of Baltimore have offered to issue Common Stock in exchange Share for Share for Preferred Stock now outstanding upon the terms set forth in a Circular Letter, dated 12th August, 1914, which has been mailed to all registered holders of Shares of Preferred Stock.

Any Preferred Shareholder desiring to exchange his Preferred Shares may do so by delivering, not later than the 19th December, 1914, either to the London Joint Stock Bank, Limited, 5 Princes Street, London, E.C., England, or to the Continental Trust Company, Continental Building, Baltimore, Maryland, U.S.A., certificates for such Stock duly endorsed in blank for transfer.

Holders of Preferred Stock so delivered, if before the 19th September, will receive the regular Dividend of 1½ per cent. (i.e. at the rate of 6 per cent. per annum) for the quarter ended 30th June, and the Common Stock issued for such Preferred Stock will rank for the Dividend of 1½ per cent. (or at the rate of 7 per cent. per annum) which has been declared on Common Stock for the quarter ending 30th September, 1914.

Holders of Preferred Stock so delivered after the 19th September (but on or before the 19th December) will receive Common Stock ranking for the Dividend accruing for the quarter ending the 31st December and payable on the existing Common Stock, and the usual Half-yearly Dividend at the rate of 6 per cent. which will be due on the 1st October on their Preferred Stock, if such Dividend has not already been paid to them.

Copies of the above-mentioned Circular Letter may be obtained on application to the London Joint Stock Bank, Limited, 5 Princes Street, London, E.C.

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED.
(Incorporated in the Transvaal.)

NOTICE.

NOTICE IS HEREBY GIVEN that the undermentioned Dividends, declared payable on the 13th August, payment of which was deferred, will be posted on Thursday, the 20th August, to all shareholders other than those resident in Germany and Austria.

Witwatersrand Gold Mining Co., Ltd., 25 per cent.

New Primrose Gold Mining Co., Ltd., 20 per cent.

Van Ryn Deep, Ltd., 12½ per cent.

Consolidated Langlaagte Mines, Ltd., 10 per cent.

Ginsberg Gold Mining Co., Ltd., 10 per cent.

New Unified Main Reef Gold Mining Co., Ltd., 10 per cent.

Bearer Coupons will be payable on and after Friday, the 21st August, but some extension of the usual period of three clear days may be necessary for verification of Coupons lodged.

By Order,

Johannesburg Consolidated Investment Co., Ltd.,

THOS. HONEY, Secretary.

20/11 Austin Friars, London, E.C.,

17th August, 1914.

THE SOUTH METROPOLITAN
ELECTRIC LIGHT AND POWER COM-
PANY, LIMITED.

The Transfer Books and Register of Members of this Company will be closed from the 18th to the 31st August, 1914 (both days inclusive), for the preparation of Warrants for Interim Dividends, payable as usual on the 31st instant in respect of the Seven per Cent. Cumulative First Preference Shares and Six per Cent. Cumulative Second Preference Shares.

C. DEAVE,
Secretary.181, 183, and 185 High Street,
Lewisham, S.E.,
12th August, 1914.MEYER & CHARLTON GOLD
MINING COMPANY, LIMITED.
(Incorporated in the Transvaal.)

DIVIDEND No. 49.

NOTICE IS HEREBY GIVEN that Warrants in respect of Dividend No. 49 of 7s. per share have this day been posted to all European Shareholders (other than those resident in Germany and Austria) registered on the 30th June, 1914.

Holders of Share Warrants to Bearer will receive payment (7s. per Share) on presentation of Coupon No. 32 at either of the under-mentioned places:—

JOHANNESBURG.—At the Head Office of the Company, General Mining Buildings.

LONDON.—At the Offices of the Company, 63/64 Winchester House, Old Broad Street, E.C.

PARIS.—At the Crédit Lyonnais, 19 Boulevard des Italiens.

Coupons presented at the London Office for account of holders resident in the United Kingdom will be subject to a deduction at the rate of 1s. 3d. in the £ in respect of English Income Tax.

All Coupons presented in Paris, as well as those presented elsewhere for account of holders resident in France, will be subject to a deduction at the rate of 1s. 2d. in the £ in respect of French taxes.

Coupons presented in Johannesburg must be accompanied by a declaration of ownership, forms of which can be obtained on application at either of the above-mentioned addresses.

Coupons must be left four clear days for examination, and may now be lodged between the hours of Eleven and Three (Saturdays excepted).

Listing forms may be obtained on application.

By Order,

T. FREDK. THORNE,

London Secretary.

63/64 Winchester House,
Old Broad Street, E.C.,
18th August, 1914.CITY OF TOKYO FIVE PER
CENT. LOAN OF 1912.
STERLING ISSUES: £5,175,000.

NOTICE IS HEREBY GIVEN that the Coupons due 1st September, 1914, will be paid on and after that date (Saturdays excepted) between the hours of eleven and three by the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Limited,

K. TATSUMI,

Manager.

7 Bishopsgate, E.C.,
17th August, 1914.NORFOLK AND WESTERN
RAILWAY COMPANY.

The Board of Directors has declared a Quarterly Dividend of One and One-half per cent. upon the Common Stock of the Company, payable at the office of the Company, Commercial Trust Building, Philadelphia, Pa., September 19, 1914, to the Common Stockholders as registered at the close of business August 31, 1914.

E. H. ALDEN,

Secretary.

CITY OF SASKATOON FOUR-
AND-A-HALF PER CENT. CONSOLI-
DATED STOCK AND FIVE PER CENT.
CONSOLIDATED STOCK, 1911/12.

For the purpose of preparing the Interest Warrants due 1st October, 1914, the balances will be struck on the evening of the 1st September, 1914, after which date the Stock will be transferred ex-dividend.

For Bank of Montreal,

G. C. CASSELS,

Manager.

47 Threadneedle Street, E.C.,
21st August, 1914.

THE STOCK EXCHANGE.

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

REPUBLIC OF CUBA FIVE
PER CENT. GOLD BONDS OF 1904
(EXTERNAL DEBT).

NOTICE IS HEREBY GIVEN that the Coupons due 1st September on the above Bonds should be presented for payment at the office of Messrs. Speyer Brothers, 7 Lothbury, London, E.C. Coupons must be left three clear days for examination.
20th August, 1914.

CANADIAN PACIFIC RAIL-
WAY COMPANY.

The Canadian Pacific Railway Company hereby announce that the dividend declared payable on the 1st October next direct to holders in the United Kingdom of duly endorsed Share Certificates registered in the names of German or Austrian firms, institutions, or persons, provided such Certificates, accompanied by a Statutory Declaration of ownership undertaking to transfer the Shares into new names on the re-opening of the books and by an indemnity (forms of which can be obtained on application), are presented at the London Office of the Company not later than the 28th instant.

By order,

R. D. MORRISON,

Deputy Secretary.

8 Waterloo Place,
Pall Mall, London, S.W.
20th August, 1914.WHERE COPIES OF THE
"STATIST" CAN BE
OBTAINED ABROAD.

INDIA.—D. B. TARAPOREVALA, SONS & CO.,
Booksellers, Bombay.

JAPAN.—Z. P. MARUYA & CO., LTD., 11 to 16
Nihonbashi Tori Sancho, Tokyo, and 23 Benten
Dori Nishime, Yokohama; Y. OKURA, Nihon-
bashi, Tokyo.

EGYPT.—F. DIEMER, Shepher's Buildings, Cairo;
THE ANGLO-AMERICAN BOOKSELLING
DEPOT, Port Said.

SOUTH AFRICA.—CENTRAL NEWS AGENCY,
Johannesburg, Bloemfontein, and Durban;
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AUSTRALIA.—GORDON & GOTCH, Melbourne,
Sydney, Brisbane, and Perth; O. W. RIGBY,
Adelaide.

NEW ZEALAND.—PRICOT & CO., Dunedin;
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CANADA.—HAROLD A. WILSON & CO., LTD.,
35 King Street West, Toronto; WILLIAM
DAWSON & SONS, Manning Chambers, Toronto,
and Montreal; A. T. CHAPMAN, 2407 St.
Catherine Street, Montreal; SELLS, LTD., 302
Shaughnessy Buildings, McGill Street, Montreal.

UNITED STATES.—INTERNATIONAL NEWS CO.,
83-5 Duane Street, New York; BRENTANO,
Cor. 5th Avenue and 27th Street, New York, and
1,015 Pennsylvania Avenue, Washington, D.C.;
SUBSCRIPTION NEWS CO., Oak Park, Chicago;
OLD CORNER BOOKSTORE, 27-9 Bromfield
Street, Boston, Mass.

FRANCE.—W. H. SMITH, Rue de Rivoli, Paris;
GALIGNANI LIBRARY, 224 Rue de Rivoli,
Paris; HACHETTE, 113 Rue Beaumart, Paris;
MONS. DEALL, 2 Rue Gaston St. Paul, Paris;
and at all kiosks on the Grande Boulevards.

GERMANY.—BOOKSTALL, Central Hotel, Friedrich-
strasse, Berlin.

AUSTRIA.—BOOKSTALL, Westbahnhof, Vienna.

HOLLAND.—J. H. DE Bussy, Rokin 60, Amsterdam;
GEER. SCHRODER, Rokin 50, Amsterdam; F.
NOORDHOFF, C. Eoteringstraat, Groningen.

SWITZERLAND.—ALBERT SCHMIDT, Bale.

THE LONDON ASSURANCE.

Incorporated by Royal Charter A.D. 1723.

For FIRE, LIFE, MARINE, ACCIDENT, CAPITAL and LEASEHOLD REDEMPTION, BURGLARY and PLATE-GLASS ASSURANCES.

Head Office—No. 7 ROYAL EXCHANGE, LONDON.

West-End Office—22 Pall Mall, S.W.

Governor—WILLIAM THOMAS BAARD, Esq.

Sub-Governor—COLIN FREDERICK CAMPBELL, Esq.

Deputy-Governor—ROBERT HENRY BENSON, Esq.

Secretary—C. A. DENTON, Esq. Underwriter—E. F. NICHOLLS, Esq.

Manager of the Fire, Life and Accident Departments—JAMES CLUNNE, Esq.

Actuary—A. G. HEMMING, Esq.

The Corporation has granted Fire, Life and Marine Assurances for nearly Two Hundred Years, and now also undertakes Capital and Leasehold Redemption, Burglary, Plate-Glass and Accident Business, including Liability to Employers in respect of Domestic Servants, Shop and Warehouse Assistants, under the Workmen's Compensation Act of 1906.

WESTERN ASSURANCE COMPANY.

Incorporated in Canada 1851.

Paid-up Capital £513,350.

Total Losses Paid exceed £12,200,000

FIRE Consequential Fire Loss MARINE

Insurances granted at Current Rates.

British and Foreign Office - 14 CORNHILL, E.C.

W. A. MILES, Fire Manager. H. M. BENTLEY, Assistant Fire Manager.

R. H. R. BUADER, Underwriter and Secretary.

BRITANNIC ASSURANCE CO., LTD. ESTABLISHED 1868.

Business Transacted:—

WHOLE LIFE, with and without profits.

ENDOWMENT ASSURANCES, with and without profits.

HOUSE PURCHASE in combination with Life Assurance.

PREMIUM RATES TO SUIT ALL CLASSES OF INSURERS

Total Funds exceed £3,500,000.

Claims Paid exceed £9,400,000.

Chief Offices: BROAD STREET CORNER, BIRMINGHAM.

LONDON & MANCHESTER INDUSTRIAL ASSURANCE COMPANY, LIMITED.

Chief Office - 50 FINSBURY SQUARE, LONDON, E.C.

Allied with National Amalgamated Approved Society for National (Health Insurance.

PREMIUM INCOME exceeds ... £700,000
FUNDS exceed £1,000,000

RETAIN CONTROL OF YOUR PROPERTY
— BY RENTING A SAFE AT THE —

National Safe Deposit Co., Ltd.

1 QUEEN VICTORIA STREET, E.C.

Safes & Strong-Rooms from £1 1s.

Private Rooms available for Customers Free of Charge.

The Company acts as Executor and Trustee, thus providing Security and Continuity in administering Estates, and also as Agents generally on behalf of Customers. Coupons cut off. Dividends Collected and Remitted.

Full Particulars and Pamphlets on application.

A. E. ORAM, Director-Manager.

SUBSCRIPTION TO "THE STATIST."

TO INCLUDE ALL SUPPLEMENTS.

Payable in Advance.

Inland.
ONE YEAR, £1 10 0 | HALF-YEAR, £0 15 0
(Post Free.)

For Colonies and Abroad (within Postal Union).

ONE YEAR, £1 17 4 | HALF-YEAR, £0 18 8
(Post Free.)

OFFICES: 51 Cannon Street, E.C.

IMPORTANT NOTICE.

All Editorial communications should be addressed to the Editor.

Business communications should be addressed to the Manager,

THE STATIST,

51 Cannon Street, London, E.C.

How to save INCOME TAX & SUPER TAX and to provide DEATH DUTIES.

A super leaflet sent POST FREE on application to the

NATIONAL PROVIDENT INSTITUTION.

48 GRACECHURCH STREET, LONDON.

REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income (1913) Exceeds £3,380,000,
Funds (1913) Exceed - - - £10,000,000.

Allied with the National Amalgamated Approved Society for State Insurance

Provide for Death Duties

Whether your Estate be large or small, it will pay you to take thought of the heavy toll that will be levied on it by the Government at your death. Write to-day for a copy of the Leaflet "Death Duties and how to provide for them." You will find it both interesting and instructive. A postcard will bring it.

The STANDARD LIFE Assurance Co. Estd. 1825.

Head Office: EDINBURGH: 3 George Street.

London: 83 King William Street, E.C.

and 3 Pall Mall East, S.W. Dublin: 59 Dawson Street.

IMPORTANT NOTICE.

In the circumstances, Subscribers on the Continent must expect delay or even non-delivery of "THE STATIST" until the restoration of normal postal facilities.

The Statist.

LONDON, SATURDAY, AUGUST 22, 1914.

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The Money Market.

Friday Evening, August 21, 1914.

Bank of England Rate.	5 per Cent. (Aug. 8, 1914)
	6 per Cent. (Aug. 6, 1914)
	10 per Cent. (Aug. 1, 1914)
	8 per Cent. (July 31, 1914)
	4 per Cent. (July 30, 1914)
	3 per Cent. (Jan. 29, 1914)

Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Bank Bills ...	5-5½	5-5½	5-5½	5-5½
Trade Bills ...	—	Nom.	Nom.	Nom.

Deposit Rates:—

	DATES FIXED.	AT CALL.	SHORT NOTICE 7 DAYS. 14 DAYS.
Banks	August 8, 1914 ...	—	3½ ... 3½
	August 6, 1914 ...	—	4 ... 4
	August 1, 1914 ...	—	5* ... 5*
	July 31, 1914 ...	—	4 ... 4
	July 30, 1914 ...	—	2½ ... 2½
	January 29, 1914 ...	—	1½ ... 1½
Discount Houses	August 8, 1914 ...	4	4½ ... 4½
	August 1, 1914 ...	5	5½ ... 5½
	July 31, 1914 ...	4½	4¾ ... 4¾
	July 30, 1914 ...	2½	2¾ ... 2¾
	January 29, 1914 ...	1½	1¾ ... 1¾

* Head Office and Metropolitan Branches only.

MONEY.

ELSEWHERE we discuss the financial situation pretty fully, and need say little here, except to note that the Bank of England is doing an exceedingly large business, which is estimated by the well-informed at about five millions a day. The eagerness of the bill-brokers to discount is so great that they present themselves at the Bank as soon as it is open, and the actual granting of discounts is ended about noon. The formal carrying out of the various transactions, however, implies such pressure of work that the staff has to be provided with dinner and supper, and to attend at the Bank late to carry through the whole work so as to be able to begin again as soon as the Bank is opened in the morning.

The joint-stock banks, on the other hand, are doing little. Some of the joint-stock banks, we learn, are giving large accommodation in the great manufacturing and industrial districts of the North and the Midlands. Yet complaints reach us from all parts of the country that ordinary accommodation is not given, and anyone who turns to the principal provincial newspapers will see very plentiful complaints there also. In London the joint-stock banks are doing little. In the meantime they are accumulating immense sums, for, naturally, as the Bank of England discounts at the great rate mentioned above, those who receive the money so paid out pay it in, in one form or another, to the various joint-stock banks. The accumulation of unemployed money, then, in the joint-stock banks is so large that it is reasonable to expect that they will soon resume operations. Probably they are waiting for the result of the great battle, which cannot, apparently, now be very long postponed. If the result of that is favourable to us and our allies, confidence will very rapidly revive, and it is hardly possible that the joint-stock banks will then refuse to resume full activity of business.

The German banks, we understand, have been trying to finance German trade with British money in a clever way. They get German bills accepted in Amsterdam and other neutral markets in considerable numbers, and, we believe, in very large amounts.

Those bills are then sent to London, where it is hoped they will be dealt in. The joint-stock banks, however, it is understood, have unanimously refused to deal in those bills, which, in consequence, have been returned to those who sent them here. Thereby the ruse has been defeated. It is, of course, natural that German bankers and German merchants should employ their ingenuity to push German trade. Unless the army and navy of Germany are even more efficient than the world believes them to be, Germany must suffer seriously, surrounded as she is by enemies. We do not, therefore, in any wise find fault with the endeavour of German business men to promote, or at all events to keep as much of the trade of the country as they can. But it certainly is not desirable that Englishmen should assist an enemy while the war lasts. When the war is over the whole situation will change.

Every day during the past week we have been told that the situation in the Money market was improving. The statement has been true, but the progress made during the past seven days has been extremely slight. There has been a considerable amount of grumbling, especially on the ground that the restoration of the machinery of the Money market has not been more rapid. Even now it is impossible to give reliable quotations for any class of bills. On the one hand, the acceptance business has not yet been fully resuscitated, and consequently fewer bills are being made. On the other hand, much complaint was made early in the week with respect to the alleged absence of the cordial relations with respect to business that ought to exist between the joint-stock banks and the bill brokers. Towards the end of the week the banks showed greater disposition to take bills, and there has been a slight decline in quotations. Bankers' acceptances, for instance, are quoted about 5 to 5½ per cent., and for trade bills the rate is 5½ to 6 per cent., but it must be remembered that these rates are quite nominal. The first batch of war Treasury bills, of which particulars are given elsewhere, had no effect upon the nominal rates. The bills went at a lower rate than many people had expected. Many of them appear to have been taken for special quarters.

That the monetary tension is gradually being relieved abroad as well as in London is evident from recent advices. This week, for instance, three of the Continental bank rates—namely, those of France, Holland, and Norway—have been reduced. In New York also there has been a distinct improvement in exchange. The New York banks have resorted to an issue of emergency notes, and are understood to be taking out clearing-house certificates, so that a resumption of produce business between America and this country will be facilitated.

NEW BRITISH TREASURY BILLS.

TENDERS were received at the Bank of England on August 19 for £15,000,000 of Treasury bills, which represents the first public issue of money needed for the war. The bills are dated August 22, and will be payable February 22, 1915—six months after. The applications amounted to £42,115,000. Tenders at £98 1s. 8d. received 48 per cent., those above in full. The Bills were disposed of at the average price of £98 3s. 5.49d., equal to an average rate of discount of £3 13s. 1.42d. per cent. By the new issue the amount of Treasury bills outstanding is raised to £29,100,000, in comparison with £15,500,000 at the commencement of the month. The fact that in the period there has been a net addition of £13,600,000 to the bills in issue is due to the retirement of £1,400,000 of bills previously held privately by Government Departments. The following table shows the amounts, date of

maturity, and the average rates of allotment of the various outstanding Treasury bills:—

Date of Maturity	Amount £	Duration Months	Amount Tendered £	Date of Issue	Aver. Rate of Allotment %
Sept. 4, 1914 ...	1,500,000	6	5,179,000	Feb. 27, 1914	1 15 0-4
Nov. 29, 1914 ...	1,500,000	6	3,922,000	May 25, 1914	2 10 10-66
Dec. 20, 1914 ...	1,000,000	6	1,814,000	June 16, 1914	2 0 6-827
Jan. 14, 1915 ...	2,000,000	6	3,378,000	July 9, 1914	2 10 7-31
Feb. 22, 1915 ...	15,000,000	6	42,115,000	Aug. 19, 1914	3 13 1-42
	8,100,000	Not issued by public tender:			
Total ...	29,100,000				

BUENOS AYRES TREASURY BILLS.

ON Saturday last it had been intended to retire an issue of £1,320,000 of Treasury bills of the Municipality of Buenos Ayres which do not fall due until February 15, 1915. It is now announced by Messrs. Kleinwort, Sons, and Company, the financial agents of the Municipality, that the necessary funds for the repayment of the bills have not yet come to hand, and that, therefore, the bills will not be paid off for the present.

BRAZILIAN TREASURY BILLS.

THE Brazilian Government finds itself unable to redeem the £1,400,000 of Treasury bills falling due August 25. The Government, therefore, propose renewing the bills for a further period of twelve months, giving the holders in exchange for the bills now falling due new bills at the rate of 107 per cent., paying in addition a commission of 1 per cent. in cash. Holders are requested to deposit their bills for renewal on these terms with Messrs. Rothschild at New Court, St. Swithin's Lane. The new bills will be delivered as soon as possible with a cheque for the commission.

BANK OF ENGLAND.

ON July 22 the "Other" securities in the Bank of England amounted to £33,633,000. According to the return issued on Thursday last, they now amount to £94,726,000. The increase during last week was just under £24,000,000. Great as the amount is, it was not quite as large as some people had expected. It must be remembered that a good many bills that have recently been taken by the Bank of England have been bought from the brokers, and have thereby released advances. In other words, bankers' loans have been turned into discounts. Besides receiving this money, the market also benefited by another addition of £3,000,000 to the Government securities (which doubtless represent loans to the Government for ways and means), and also by £3,693,000 through an increase in the reserve. This increase in reserve was due to the receipt from abroad, or to the placing to the credit of the Bank gold to the amount of £3,402,000; and as £1,543,000 in coin came back from the country, the addition to the bullion was £4,945,000. This was offset to the extent of £1,252,000 by an expansion in the note circulation. Altogether the market received £30,632,000, and the principal outgoing was £5,785,000 paid to the credit of the public deposits. Hence the bankers' balances, or "Other" deposits are £24,768,000 higher, and now reach the record figure of £108,094,000. The proportion of reserve to liabilities fell 1.22 per cent. to 15.8 per cent.

Recent gold movements at the Bank of England have been as under:—

Week Ended	In. £	Out. £	Net Influx + Net Efflux -.
July 29 ...	693,000	1,513,000	- 820,000
Aug. 5 ...	442,000	2,740,000	- 2,298,000
Aug. 12 ...	9,627,000	37,500	+ 9,589,500
Aug. 19 ...	3,402,000	—	+ 3,402,000

The net influx of August 20 and 21 was £1,517,000.

POSITION IN INDIA.

FOR the 10 lacs of Council bills offered on Wednesday, only 1 lac was applied for in transfers at 1s. 3½d., at which price the Government sold bills

last week. The applications were refused. Meanwhile the amount to be offered next week will again be 10 lacs. Money in India is rather dearer, the Bombay bank rate having been raised on Thursday from 4 per cent. to 6 per cent., the former rate having been in operation since August 7. The sales of sterling bills in India this week were again moderate. Against the £1,000,000 of sterling bills offered the applications amounted to only £632,000, of which £133,000 was in bills at 1s. 3½d. and £499,000 in transfers at 1s. 3½d. These rates, which were accepted, are the same rates as were realised last week.

The following are the minimum Rates of Discount current in India:—

[Bombay ... 5 per cent. (Aug. 20, '14) | Bengal ... 4 per cent. (Aug. 7, '14).

Ten lacs of drafts were offered by the India Council, but applications were received for only one lac in telegraphic transfers. No allotment was made.

From April 1 to Aug. 18 inclusive the Council have granted remittance for Rs. 5,24,88,332, realising £3,503,145. Up to Aug. 19 of last financial year the total Bills and Transfers sold was Rs. 10,34,64,750, realising £6,910,828. The total sales for the week ended Aug. 18 amounted to Rs. 5,00,000, realising £33,203. The amount to be offered for tender next Wednesday will again be 10 lacs.

SILVER.

THE London Silver market is still very unsettled, and the price of bar silver moves rather erratically. The cash price rose early in the week from 27d. to 27½d., but subsequently reacted, and the closing price of 26d. shows a fall of 1d. on the week.

	Aug. 14	15	17	18	19	20	21
London ...	27d.	27	27½	28½	29½	28	26

Stock Exchange.

TICKET DAY. PAY DAY. CONSOLS.
Settlement { Wed., Aug. 28 | *Thurs., Aug. 13 | *Thurs., Aug. 13
Days. { — | Thurs., Aug. 27 | —
* Deferred to September 14 for General and September 7 for Consols Settlements.

Friday evening.

- July 31. Paris Bourse settlement deferred to August 31. London and New York Stock Exchanges did not open. General securities and Consols settlements deferred to August 27 and beginning of September.
- Aug. 3. Bank Holiday extended to August 6 inclusive.
- " 4. War declaration Germany and England. German Reichstag authorises extraordinary expenditure of £265,000,000, suspends the 5 per cent. tax on excess circulation, authorises Imperial Bank to discount bills with only one signature, makes all Imperial paper legal tender, authorises Government to close bargains at prices the Government will fix, and grants advances up to £75,000,000 on German stocks and shares and goods of non-perishable nature, and one-half or one-third of assessable value on trade stock and industrial products placed under seal. (See Times of August 10, p. 5.)
- " 6. British moratorium of month to September 4.
- " 7. Banks reopen and issue of £1 notes.
- " 12. General securities and Consols settlements on London Stock Exchange further deferred to September 14 and September 7 respectively. German branch banks in London permitted to resume business.
- " 13. Government guarantees bills of exchange discounted at the Bank of England. Measure for holding gold in Colonies for account of the Bank of England.
- " 17. Provision for paying Rand Mining Companies' dividends.
- " 20. Action of Continental Banks in reducing their official rates.
- " 21. News of entry into Mexico of General Carranza.

THE closing of the Stock Exchange, it may be recalled, occurred on the morning of Friday, July 31. Saturday had already been proclaimed a holiday. Then came Sunday, and the Monday was Bank Holiday. On Tuesday, August 4, the Stock Exchange Com-

mittee held a sitting, and the same day passed and confirmed a resolution worded as follows:—

“That the repayment of advances made by or to members or non-members for the Consols account, for the mid-August account, or for special dates be postponed until September 1 or August 27 respectively.”

It is to be noticed that this resolution is quite contrary to law. But events were moving fast, and the position was considered of such gravity that the resolution amounted to a decision that the Stock Exchange as a body would stand or fall together.

The same night (August 4) war was declared as between Great Britain and Germany. In anticipation of such decision the proclamation had been issued extending the Bank Holiday to and inclusive of Thursday, August 6, and steps had been taken for the provision in the interval of notes of £1 each, guaranteed by the Government.

The banks reopened on Friday, 7th, and even an inadequate provision of additional small currency proved effective in allaying apprehensions.

Public proclamation was made on August 6 of a moratorium to expire September 4. The Stock Exchange Committee's above-named decision of August 4 was legalised by such moratorium.

It is as well to recall this sequence of events as an introduction to remarks that follow, in which we make a suggestion for consideration.

In our remarks under the heading of Stock Exchange last week *inter alia* we observed, “It is the loan position that is the nettle to be grasped.” It is only after investigation that the immensity of the loan problem is revealed. Though it is not a mere question of the amount of loans open through the agency of the Stock Exchange and the extent of the positions carried over from the end of July to the next account, the procedure as to arrangements for loans on Stock Exchange securities may be considered.

Each fortnightly account, and also monthly, large sums are borrowed by Stock Exchange firms from banks, discount houses, insurance companies, and kindred institutions against approved security. The proceeds of the loans they effect are used by them either in financing clients' positions or relending the money in the Stock Exchange itself. As the value of the security in these transactions is automatically fixed by the fortnightly “making-up” prices, the money broker from his own resources finds the necessary margin required from borrowers by the banks, &c. Such margin depends upon the character of the security. A mixed parcel of bonds of a market value of £100,000 handed to the bank provides, say, £30,000 or £90,000—the £20,000 or £10,000 difference the money broker finds.

In some instances wealthy firms and finance institutions who have taken a special interest in the shares of a particular company, and secured a profit through gradually peddling out the bulk of them, in order to support the market and not curtail market facilities, have afforded monetary accommodation to the purchasers by “taking in” the stock they have disposed of. When the time arrives that they have sold the whole of their shares they close the operation by delivering what they have sold. Till such maturing of time for delivery the sales effected partake of the nature of the sellers being “bears,” though they are not really so. Some sales of securities have been out-and-out “bear” sales, and by the “carry-over” operations on the Stock Exchange the operator for the fall would get a rate of contango each settlement. All these arrangements are more or less loan transactions.

In large part the loans have been arranged for the period of the Stock Exchange settlement following that of the date of the loan arrangement. Normally, a continuance of loan is assented to at the current rate of interest from account to account in the instance of the Stock Exchange, or sometimes for agreed periods. For instance, an individual customer of a lender buys a Stock Exchange security and takes it up with his resources and aid of the loan he receives at an agreed rate and period. This may be arranged either direct by the customer and the lender or through a Stock Exchange broker.

During recent months many new issues of high-class character have been offered to the public, but in several important instances, as is well known, the underwriters have been left with a large proportion. The position in regard to these has been to a great extent financed by banks, insurance companies, and kindred institutions; and there is the feature to be taken into consideration that in many cases instalments of payments are either due or becoming due. During the period of the moratorium such calls may be deferred. The arrangements between borrowers and lenders in these transactions are in the main direct, and not effected through the medium of members of the Stock Exchange.

In a time of crisis there is a desire to restrict loan business, and lenders call in loans. The gravity of the present crisis is such that it would be most difficult to effect extensions or fresh borrowings, and the market is liable to the influence on it of a wholesale calling in of existing loans. Already some notices are being given of demand for repayment of loans on expiry of the date of end of moratorium.

Adjustment of loans in the form of contango through stockbrokers means that the client is credited with a loan at the fixed “making-up” price for the currency of the fortnight's or month's account. Present conditions are of prices very much below what were those at the end of July general adjustment. Of the large number of brokers' clients who at the next fixed date of the Stock Exchange settlement will have to pay off loans by selling in the market the stock they bought with borrowed money, a great number will be unable to provide even the differences that will be shown between the sums that have to be paid off and the amounts they will realise for the stock. *Ergo* they will not be in a position to pay, and will be forced to close the bargain at a time when very few persons could possibly buy to the extent of stemming the tide of selling. Men of considerable wealth even, with foreign business, would be ruined in these circumstances. If they could get what is owed them they would be perfectly solvent and could meet differences; but foreign customers, especially enemies, in the present circumstances cannot remit the required cash. Defaults in such cases would bring down intermediary parties to transactions. There would be a chaos of failures both in and out of the Stock Exchange in the event of a Stock Exchange settlement being held in such circumstances.

The severity of the decline in prices that has already occurred, and which were there forced closing of positions would doubtless be added to, is due to a war of unprecedented character. Were the war speedily brought to an end in the way anticipated—by defeat of the two Central European Powers—there would be a very great restoration of intrinsic values of securities. The world at large reasonably expects this outcome. Hence it is desirable that there should be deferment of compulsory closing of loan positions, and that Stock Exchange matters also should remain as they are. It looks as if there should be the intervention of the Government by a loan moratorium as to existing loan transactions and further steps in respect of future loan arrangements. As to the present

position, measures that appear to be called for are: (1) The unclosed Stock Exchange and loan positions to remain as they now stand, with option for parties having positions open to effect closing in respect of transactions entered into in the pre-crisis period; (2) for the future, till normal conditions are restored, there to be deferment of all time bargains and the Stock Exchange forthwith reopened, with business restricted to cash transactions only.

As regards the loan positions on the part of the public direct who have lodged Stock Exchange issues as security, there should be like moratorium conditions on engagements that have been already in force, retirement of securities to be optional during the period of the moratorium. In respect of new arrangements entered into the moratorium conditions not to apply.

The expiry of a moratorium in respect of existing loans on Stock Exchange securities to be based on an eventual final date to be fixed some time after conclusion of peace.

In case the suggestions we put forward can be endorsed officially and transactions for a period are effected for cash only, the publication of the Stock Exchange Official Daily List should be suspended. In lieu thereof it would be desirable to publish the record of prices that have been furnished to officials in respect of transactions arranged. Then, in view of the fact that many active securities that never have been quoted in the Daily Official List would be dealt with for cash, we offer the suggestion that "markings" should be extended to business done in such securities as are accorded an official "making-up" price. We do not suggest that in an interregnum any quotations should be published, but merely a record of the prices at which business done has been officially recorded. From such record the public will be able to gauge the approximate current price of securities.

The setting up of a moratorium in the manner above suggested, as well as the recent action of the Government in guaranteeing bills of exchange are, however, only partial measures. Further measures will have to be taken.

A correspondent cites the position of a fairly wealthy merchant who has bought goods in this country but has sold them to an enemy. He has to receive, say, about £50,000 from the enemy and pay about the same amount in this country. With such position alone until he can receive the amount from the enemy he cannot pay. But he is a wealthy man and has in his safe £50,000 worth of good securities—American bonds, British municipal securities, railway stocks, &c.

Our correspondent points out that he could meet his obligations in respect of payment for the purchases he has made in this country were he able to borrow on these securities. But with conditions as they are he is unable to get any bank or other institution to make him advances. How can this situation be met? If there is Government intervention in the case of bills of exchange, he observes, surely there could be Government intervention in the matter of loan transactions.

A Government guarantee in some form behind securities deposited, he points out, would enormously strengthen the position. The machinery for giving effect to a guarantee would be the formation of a Government department authorised to issue certificates against the deposit with it of securities of approved character, such as those above referred to in the case of the merchant, the Government institution to advance on securities lodged with it, say, 80 per cent. of the market value at the last Stock Exchange

making-up prices. The certificates issued to borrowers on Stock Exchange securities would, up to any extent necessary, be convertible by banks into Government notes kindred to the £1 and 10s. notes that have been created, but in this case of larger denomination. This would put any requisite additional money into circulation and would enable a great number of people to meet their obligations in this country, without having to wait until they can receive money from foreign or home embarrassed customers. The credits set up might obviate any necessity to largely increasing note circulation as referred to. The action he suggests would enable holders of securities to obtain cash, and when the British Government has to issue Consols to cope with the war situation there will be the cash in circulation available for subscription to any new issue. As an instance of how this would work he cites: A millionaire has a mass of securities in his possession but very little cash. He is a patriot, and will be anxious in case of a new Consols issue to take a very considerable quantity, but having very little floating cash and only securities he is unable in present circumstances to borrow upon, he will not be in a position to make a subscription.

We call attention to the fact that the German Government has taken a step somewhat analogous by arranging a Government institution of such character that will take in securities and make advances against them. What objection is there to our own Government alleviating the situation in similar manner?

It will be noted the Chronology given on page 478 contains a reference to some of the steps that were taken on August 4 by the German Government.

MEXICAN RAILWAY AND THE POLITICAL SITUATION.

ALTHOUGH political news from Mexico is of the most meagre description, signs are not wanting of the resumption of more normal conditions in the Republic. The Mexican Railway Company, for instance, is reporting increases in traffic for the first time since the seizure of Vera Cruz by the United States forces in April last, and for the first two weeks of August the gain in earnings has been about \$47,300. A month ago it will be recollected, cable advices were received from Mexico to the effect that the Government had authorised the railway companies concerned to repair the gap in the main line between Mexico City and Vera Cruz. The gap referred to was about three and a half kilometres in length, which was made by order of the Mexican Government to prevent through communication by rail with the capital. The restoration of through traffic is doubtless responsible for the improvement in earnings now being secured, and the better showing thus reported reduces the decline in the Company's receipts for the first six weeks of the half-year to \$81,300. If the present rate of expansion continues the net earnings by June 30 will, even allowing for the low exchange, be more than sufficient to pay fixed interest charges in full, and if all goes well it is possible

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that dividends on the Preference capital will be partially resumed. The suspension of through traffic between Vera Cruz and Mexico City was a serious matter for the Mexican Railway Company, and now that connection has been re-established the outlook is much more promising.

It will be recollected that until the occupation of Vera Cruz by the United States forces practically the whole of the import and export trade of the country was conducted through that port, and, as a result, large earnings were secured by the Mexican Railway Company. Whatever Government is in power in Mexico it will naturally be interested in keeping the best route to the seaboard open to traffic, and consequently, however much the country is disturbed by internal political dissensions, the effect upon Mexican Railway earnings may not be serious, provided always that outside intervention is not again actively necessary. It is not, however, clear from reports to hand that Vera Cruz has yet been evacuated by the United States forces. A portion of the American fleet, it is stated, has been ordered north, and the general impression on this side is that the military will shortly follow suit. If this proves to be the case, it would go to show that the political situation in Mexico is steadily improving, although from the meagre information available the position remains obscure.

A Reuter's telegram dated August 8 stated that all hopes of peace had apparently been given up, that the war party was in control, and that it might fight its way to the capital. Later, however, cable advices were received to the effect that President Carranza had left Mexico City for Vera Cruz and had handed over the government of the capital to the Governor. It is further reported that at a conference between General Carranza and foreign diplomats, a peaceful entry of the Constitutionalists into Mexico City had been arranged. This has been confirmed to-day by a cable *via* New York stating that General Carranza entered the capital at noon on August 20 at the head of the Constitutional troops and has taken over the provisional presidency. He was, it is reported, met at the city limit by the Municipal Council, who handed over to him the keys. If this be true it looks as though the country was about to settle down once again to peaceful conditions.

SCOTTISH RAILWAY DIVIDENDS.

THE directors of both the Caledonian and North British Railway Companies have decided to pay on September 5 the usual interim dividends on all their Preference stocks. The declaration of dividends on the Ordinary capital is, however, still under consideration, and the final decision will not be announced till a later date. The prompt action of the directors in reversing their decision of a week or so ago, at any rate in so far as the payment of Preference dividends is concerned, is satisfactory, and will afford a welcome relief to the holders of the stocks concerned. The amount of money involved is not far short of a million sterling, of which the Caledonian dividends represent £386,400 and the North British about £539,400. The Ordinary dividends, which will probably be distributed later, will, on last year's basis, call for a further sum of £420,660. The Caledonian dividend twelve months ago was at the rate of 3 per cent. per annum; and although there was, according to the weekly statements, a slight falling off in traffic receipts in the first 26 weeks of the current year, the Company may possibly be able to maintain its interim distribution at last year's rate. The North British also reported a decline in receipts of about £20,000; but here, again, no difficulty should be experienced in again distributing at the full rate on the 3 per cent. Preferred Ordinary stock. The amount required is small—only £143,675—but as many holders are probably investors of small means, the disbursement of this further sum, if possible, should not be unduly delayed.

IRISH RAILWAY DIVIDEND POSTPONED.

DISAPPOINTMENT will be felt at the announcement made by the directors of the Midland Great Western Railway of Ireland that, in consequence of the altered financial position due to the sudden outbreak of war and to the uncertainty as to the trade conditions which will obtain during the current half-year, they have decided to postpone for the present the payment of an interim dividend on the Ordinary stock. The distribution, at the rate of 2 per cent. per annum, was announced at the end of July before the outbreak of war, and the decision to postpone payment for a time is of course a precautionary measure which in ordinary times would be a wise procedure. It is doubtful, however, if, in the existing state of affairs, the policy of postponing dividend payments is desirable. It must, of course, be left to individual boards of directors to do what they consider best in the interests of the company itself; but the necessity of circulating money as freely as possible and so prevent undue hardship among a large section of the public is paramount at the present time, and those companies who can make interim distributions to their shareholders without entailing any great risk to their financial stability should unhesitatingly do so without delay. The amount distributable by the Midland Great Western Company is, it is true, only £23,700; but in these times every little helps. It is, however, satisfactory to note that interim dividends on the Rent-charge and Preference stocks will be paid on September 1 next as usual. This is a more important matter, as the amount of money involved is about £38,100.

SOUTHERN PUNJAB RAILWAY.

THE directors of the Southern Punjab Railway Company have this week declared an interim dividend on the Ordinary stock for the six months to March 31 of 5 per cent., being at the rate of 10 per cent. per annum. This rate of distribution has been forthcoming since the commencement of 1912. In that year the interim payment was at the rate of 9 per cent. per annum and the final dividend at the rate of 11 per cent., making 10 per cent. for the calendar year, as against 8½ per cent. for 1911. For the June half of 1913 a similar rate of distribution was forthcoming, and for the nine months to the end of September—the financial year having been changed from June to September—a dividend of 7½ per cent. actual, being at the rate of 10 per cent. per annum, was again distributed. The Company is certainly enjoying a high degree of prosperity, and although no statement of profits for the six months to March last is yet possible, there is no doubt that the sum available for the Ordinary exceeds the amount distributed, and that the dividend-earning capacity of the line is equal to a higher dividend than 10 per cent. For the nine months to the end of September the Company just about earned the 10 per cent. distributed; but judged by the growth of Rs. 8,95,493, or 27 per cent., in the Company's traffic receipts for the six months to the end of March, a substantial gain in profit has doubtless been secured, and a fair margin is therefore likely to be shown behind the 10 per cent. dividend. The excellent dividend record of the Company for a number of years is appended:—

Southern Punjab Railway.

	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903
	%	%	%	%	%	%	%	%	%	%	%	%
1st half ...	10	10	9	8	6	6	6	6	5½	4½	4½	4
2nd half ...	?	10*	11	11	9	9	9	9	6½	5	4½	4½
Year ...	?	10	10	8½	7½	7½	7½	7½	6	4½	4½	4½

* At the rate of 10 % per annum for the 9 months to September 30.

The last official quotation for the Company's stock was 166, and on a 10 per cent. dividend basis the yield afforded is nearly 6½ per cent.

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Mining Topics.

INCREASED PRODUCTION OF GOLD.

HOLDERS of mining shares must not lose their heads and follow one another in sheep-like action. A proportion of holders are under actual necessity of selling

some or all of their holdings, but the great bulk of holders are not in such dire stress. It must be recognised that market price very often is no criterion of real value of any security, and that in regard to gold-mining shares in many directions prices at the level at which they stood prior to the crisis quite inadequately represented intrinsic merit. It has to be borne in mind that British possessions and colonies supply over 60 per cent. of the world's total production of gold—approximately 61 millions sterling out of a total production of about 95 millions. British control of ocean transport is apparently assured, and freedom from molestation enables uninterrupted production of gold. There is no necessity with the royal metal, as with some other metals, to curtail production—as, for instance, in the case of copper. Consumption of copper for a period will be hugely checked, as a very large quantity of copper is ordinarily required by Germany, which during war will be unable to obtain its requirements. If production were not checked the rest of the world would have an influx of supplies, which would seriously affect the price of the metal. Action, however, has already been taken to curtail production, the decision having been arrived at in the United States, which yields approximately half the world's supply, to reduce its output of copper by about 50 per cent.

We cannot too strongly emphasise the fact that there will be no necessity for diminution of effort to produce gold, as this metal commands a fixed price, and, indeed, in the conditions now prevailing every effort will be made to augment the world's gold supply. The largest source of supply of any individual British possession is South Africa, which produces approximately 40 per cent. of the world's supply, and the largest field in South Africa is the Rand, the bulk of the gold being derived from that quarter. Some apprehensions have been felt that there may be an hiatus of inability to proceed with production because of supplies from overseas—cyanide, dynamite, &c.—being cut off, but fears in this direction have been removed. Germany used to provide about 75 per cent. of the Rand's cyanide requirements. The supply from Germany now ceases, but already steps have been taken for replacing German production by British manufacture.

Some years ago, of the total share capital of Witwatersrand mines the Continent was reckoned to have, either directly, or indirectly through holding shares of investment companies, not far short of one-half interest in approved Rand companies. In the interval since the Continent has very largely reduced its shareholding interest, and, during a long spell of dwindling prices of shares, what shares the Continent sold English investors bought, some as quite new buyers, others so as to average lower down the price of shares bought at a higher quotation.

Two points investors ought to bear in mind at the present moment beyond the mere question of intrinsic merit are: (1) That prior to the outbreak of the war many securities were at quite unduly depreciated prices, and since the war have further depreciated; (2) That there is no appreciably large volume of speculation open with borrowed resources. It would not require a very large sum to take up and pay for the whole of the stock still open for speculative account with borrowed resources. In times when securities are much undervalued, it has been found extremely profitable by companies of Trust character to take up undervalued securities. What applies to companies formed for this purpose also applies to individuals who have the means to pay for what they purchase, and, in our opinion, this is the time when people of means and free resources should rather consider the question of buying gold-mine shares than adding embarrassment to the situation by selling. Then with regard to the outlook, as we have mentioned above, every effort will be made to increase the output of gold.

As to the Rand, the capital required to augment the production of gold has, in recent years, some of it painfully, been found. The aggregate of capital commitments which cannot be deferred is very small, and additional extension of plant, if deemed desirable, could be provided, as largely done heretofore, by appropriation of profits to capital purposes. Though war has a very far-reaching effect, we do not expect to see much direct adverse effect on mining enterprise in regions quite remote from Europe. There may be extra prices to be paid for some of the stores used, but this we should conceive if brought about would be short-lived and of quite inconsiderable character, and probably followed by renewal of a trend of reduction in working costs per ton.

RAND DIVIDEND DISTRIBUTIONS.

THE event of the week in the Mining department has been the conclusion of arrangements whereby the dividends of Rand mining companies in very great part have been distributed, or at a very early date will be sent to all shareholders other than residents in Germany and Austria. The aggregate of sums already paid or in course of distribution is close to £4,500,000, and till the measures consummated this week there was doubt when about £4,000,000 of such sum could in the circumstances be provided. This doubt is happily removed. The amounts in respect of the dividends of companies are given below:—

		£
Bantjes	2½	12,557
Brakpan	12½	93,750
Central Mining	2½	127,500
City and Suburban	7½	102,000
City Deep	11½	140,625
Consolidated Langlaagte	10	95,000
" Main Reef	5	48,218
Crown Mines	55	517,058
Durban Roodepoort Deep	3¼	16,500
East Rand	7½	183,442
Geldenhuis Deep	8½	51,253
Ginsberg	10	21,000
Johannesburg Consolidated... ..	5	197,500
Knights Deep	5	37,176
Langlaagte	2½	44,325
Meyer and Charlton	35	70,000
Modderfontein B	25	175,000
New Kleinfontein	5	48,500
New Modderfontein	15	210,000
New Primrose... ..	20	65,000
New Unified	10	25,000
Nourse Mines... ..	8½	72,434
Rand Mines	110	584,648
Robinson Deep	12½	125,000
" Gold	19	522,500
Rose Deep	20	140,000
Simmer and Jack	5	150,000
Transvaal Coal Trust	7½	39,932
Van Ryn	22½	112,500
Van Ryn Deep	12½	149,611
Village Deep	10	106,067
Witwatersrand G. M.... ..	25	106,250
" Deep... ..	15	82,500
		4,470,846

RAY CONSOLIDATED.

THIS Arizona copper-producing Company has performed an immense amount of work in its short history as a consolidated undertaking. From the beginning of 1910 to the end of 1913 its development operations included approximately 70 miles of sinking, driving, cross-cutting, &c., and simultaneously there was active construction of a plant designed to deal with an output of 8,000 tons of ore daily. This programme has been fully accomplished, for intermittently in the June half-year, the output was nearer 9,000 tons than 8,000 tons per day, and as to production of copper metal the Company has now attained an output at the rate of over 30,000 long tons per annum.

Were the good results attained in the June quarter continued for the remainder of the year the rate of profit income, after providing for develop-

ment redemption by charging in mining expenses 12½ cents per ton of ore dealt with, setting aside to reserve 10 cents per ton for bond redemption, also 5 per cent. for depreciation, would suffice to provide about \$2½ per share dividend, and the Company has been only distributing at the rate of \$1½ annually per \$10 share. Two factors that may come into operation, however, are (1) the probability of an improvement in the grade now that a large quantity of very low-grade ore has been removed and better grade can be obtained, and (2) expected ability to further reduce the working costs, which have hitherto been high. *Per contra* the war crisis has been attended by a policy of restriction of output on the part of American mines, so that the future of the profit results is rendered obscure. We refer to the future subsequently, but may recall the recent past experience of the Company.

To early in 1911 there was a period of preparation, but in April of that year a commencement of production, with one of intended eight units, was brought into operation, and the results attained since are indicated in the following table, showing the quarterly progress of the Company:—

Quarterly Progress of the Ray Consolidated Copper Company.

Year to Dec. 31 1912.	Tons (2,000 Lb.) Mined	Grade %	Gross Quantity Copper Lb.	Price Realised Cents per Lb.	Operating Costs Cents per Lb.	Net Income \$
March qr. ...	391,674	1.714	7,122,973	15.396	10.19	358,625
June qr. ...	374,609	1.72	8,952,074	15.477	9.954	481,944
Sept. qr. ...	429,411	1.614	9,295,818	17.13	10.027	650,713
Dec. qr. ...	460,181	1.673	10,490,661	17.04	9.375	583,827
Year* ...	1,565,875	1.677	35,861,496	15.762	9.828	1,929,262
1913.						
March qr. ...	537,205	1.739	12,363,696	15.15	9.509	682,625
June qr. ...	587,877	1.703	13,402,394	15	9.553	726,759
Sept. qr. ...	575,190	1.72	12,969,120	15	10.155	661,085
Dec. qr. ...	665,024	1.715	15,004,727	14.83	9.93	774,018
Year* ...	2,365,296	1.72	54,341,029	14.99	9.783	2,844,487
* Year's figures adjusted.						
1914.						
March qr. ...	714,009	1.798	17,234,346	14.41	9.14	922,099
June qr. ...	764,040	1.786	18,748,343	13.92	8.82	1,003,075

The production of copper for 1913 was 23,370 tons and for the first half of 1914 16,060 tons. If we take the output of the second half of 1914 as 9,940 tons only—a drastic allowance for restriction of output—the aggregate for the year 1914 will be 26,000 tons. Making a liberal allowance for reduction in price and cessation of era of reduction of costs, it may happen that the profit of the year will exceed what was the profit of 1913, and the results of that year were as under:—

Operating revenue (52,351,029 lb. copper and silver and gold sold say 23,370 tons of 2,240 lb.)	7,899,721
Operating expenses (including 12½c. per ton for development redemption, equal to .536 cent per lb. of copper)	5,402,502
Operating profit	2,497,219
Investment income and net revenues	377,097
Total income	2,874,316
Interest on bonds, &c.	\$199,123
Reserve (10c. per ton) for bond redemption	236,739
Reserve for 5 % depreciation	278,727
Dividends—June, Sept., Dec. (37½c. each) on \$10 share	1,631,604
	2,344,092
Surplus to balance sheet	530,223
Surpluses unappropriated to Dec. 31, 1912	2,227,903
Total unappropriated profit at Dec. 31, 1913	2,758,126

Except for following up developments in No. 3 shaft region, where richer ore exists than in other directions, and exposing some 90,000 tons of 3.5 per cent. grade, no addition was made to the ore reserves of end of 1912, and the position as to ore in sight at the end of 1913 may be expressed as under:—

	Tons	Av. Copper Contents %
In sight Dec. 31, 1912	80,656,973	2.2
Added in 1913	90,070	3.5
	80,746,573	
Used in 1913	2,263,007	1.72
	78,380,966	

It will be noted from the foregoing that the quantity brought into sight equals well over 25 years' life.

The authorised capital of the Company is \$16,000,000, in 1,600,000 \$10 shares:—

In issue Mar. 31, 1914, 1,450,587 \$10 shares	14,505,870
Bonds outstanding Mar. 31, 1914, convertible into shares at \$20 per share till Jan. 1, 1917	2,977,000

Should a similar profit position be shown for 1914 as that of 1913 it may be decided to continue the dividend at the rate heretofore paid.

The dividends paid have been 37½ cents per share quarterly, the first payment June 30, 1913. This equals 15 per cent. per annum, and requires about \$545,000 per quarter. The accumulation of profits in excess of sums distributed as dividends places the Company in a strong financial position, as it had \$2,767,850 unappropriated profits at December 31, 1913. Assuming a continuance of 15 per cent. dividends, the investor at the latest New York price of, say, 16½ per share would secure a yield of over 9 per cent.

The movement of the price of the shares is set out below:—

Prices in New York of \$10 Shares.

	Highest	Lowest
1909	27½	7½
1910	27½	15
1911	19	12
1912	24½ Sept.	16 Jan.
1913	22 Jan.	16½ Feb.
1914 (to date)	22½ Apr.	16½ July.

RAND DEVELOPMENTS.

City Deep.—Recent developments below:—

Period	Main Reef Leader—			Value Shillings
	Distance Exposed Feet	Width Inches	Assay s. d.	
1913.				
Sept. qr.	3,105	18	142 8	2,565
Dec. qr.	3,330	18	201 1	3,819
1914.				
Mar. qr.	3,290	19	123 4	2,400
June qr.	3,165	19	109 7	2,190

Main Reef development in June quarter showed average for 1,525 feet of driving, 10s. 11d. over width 36 inches. The circular shaft was down to 1,383 feet.

Consolidated Main Reef.—Recent developments, principally Main Reef Leader:—

Period	Feet on Reef	Payable—		Unpayable—	
		Length Feet	Aver. Value*	Length Feet	Aver. Value*
1913.					
Sept. qr.	3,300	2,023½	39/1	1,277	14/5
Dec. qr.	2,336	1,442	40/4	893	14/10
1914.					
Mar. qr.	1,911	1,196	44/7	686	14/10
June qr.	2,872	1,758	36/6	1,014½	13/7

* Based on 48 inches width.

Crown Mines.—Development showings are as under:—

Period	M.R. Leader—			South Reef—		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1913.						
Sept. qr.	1,720	23	66/9	1,000	35	49/4
Dec. qr.	1,890	22	67/5	1,010	26	59/72
1914.						
Mar. qr.	1,483	22	84/0	1,150	14	118/5
June qr.	2,135	25	60/8	1,370	29	38/3

Native labour March quarter, 11,531; June quarter, 13,590.

Kleinfontein.—Development work as under:—

Period	Development			Pay-Ore Reserves—		
	Footage Sampled	Width Inches	Assay s. d.	Tons	Width Inches	Value s. d.
1913.						
June qr.	1,735	42.54	39 11	1,174,463	45.75	32 9
Sept. qr.	1,890	39.37	34 0	1,175,879	45.08	32 9
Dec. qr.	2,805	42.45	32 4	1,345,216	48.29	31
1914.						
Mar. qr.	1,975	53.90	24 2	1,654,169	53.19	26
June qr.	2,535	56.12	21 10	1,833,607*	57.3	25 10

* Including Benoni and Apex sections the total pay-ore reserves are estimated to amount to 2,775,424 tons, value 2½s., over 57.24 inches.

Respecting the resolutions adopted at meeting July 25, 1914, for increasing the capital from £1,151,540 to £1,300,000, a notice is issued that, owing to the existing state of European affairs,

arrangements have been made with guarantors to continue the guarantee of the new issue for a further three months. In view of this, letters of rights will not be issued until after October 31, 1914.

Durban Roodepoort Deep.—Recent development work shown below:—

	Main Reef—			South Reef—		
	Dist. Exposed Feet	Width Inches	Value	Dist. Exposed Feet	Width Inches	Value
1913, Sept. ..	1,365	28	78.8	740	11	107½
„ Dec. „	605	23	45.9	805	12	92.0
1914, Mar. qr.	400	37	46.7	792	11	12½½
„ June qr.	770	32	48.4	660	12	£9.1

East Rand.—Recent development showings are given below:—

Year	Development Feet	Average Reef Width Inches	Assay Value s. d.	Inch. Shillings
Year 1911	69,714	26.1	42 6	1,168
Year 1912	44,293	21	52 3	1,097
1913, March quarter	15,486	24	45 0	1,080
„ June „	13,890	24	42 6	1,020
„ Sept. „	11,808	25	42 1	1,052
„ Dec. „	11,394	25	41 4	1,040
1914, March quarter	10,965	27	43 9	1,121
„ June quarter	9,772	28	41 8	1,169

Main Reef West.—The recent development showings have been as under:—

Period	Dist. Exposed Feet	Width Inches	Assay s. d.	Main Reef Leader—		Value Over 48 In. s. d.
				Feet	Proportion on Pay Reef %	
Sept. qr., 1913	2,420	38	27 2			
Dec. qr., 1913	2,173	38.5	26 9			
Mar. qr., 1914	2,244½	37.1	31 0			
June qr., 1914	2,388	36.2	33 2			

Robinson Deep.—Development disclosures below:

Period	Main Reef—			M.R. Leader—			South Reef—		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1913.									
Sept. qr.	208	46.9	4 8	1,723	25.3	70 1	1,887	20.9	54 4
Dec. qr.	—	—	—	1,901	25.1	58 8	1,647	23.2	48 0
1914.									
Mar. qr.	15	23.5	4 3	738	21.6	59 11	945	22.7	55 11
June qr.	—	—	—	382	30.3	53 7	647	21.7	70 1

Simmer and Jack Proprietary.—Developments below:—

Period	Main Reef—			South Reef—		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1913.						
Sept. qr.	145½	19.8	55 8	138½	21.2	77 8
Dec. qr.	350½	20.2	56 1	67½	16.3	63 8
1914.						
Mar. qr.	423	20.1	32 9	153½	37.2	52 3
June qr.	340½	21.4	42 0	290½	33.8	41 3

Village Deep.—Recent developments:—

Period	Main Reef Leader—			South Reef—		
	Distance Exposed Ft.	Width In.	Assay	Distance Exposed Ft.	Width In.	Assay
1913	10,424	34.2	49/7	2,675	23.2	50/10
1914.						
Mar. qr.	1,853	36.7	£1/8	189	30.9	29/0
June qr.	1,696	29	81/1	110	31	34/10

In the June quarter two additional claims and a water-right were obtained for £7,000 from the Salis-bury Company in liquidation. The £7,000 will not be payable till April 30, 1916.

BANQUETING

AT THE

. . SAVOY . .

THE MAGNIFICENT BANQUETING HALL of the SAVOY HOTEL, on a level with the Embankment Entrance, can accommodate 400 at dinner.

The acoustics of the room have received the highest praise, and the cuisine and wines are of the renowned excellence of the SAVOY.

Orders are taken for parties numbering twenty-five and upwards at from 2½s. per head, inclusive of Wines; and at from 10s. 6d. per head, exclusive of Wines.

Menus, Table Plans, Wine List, and all particulars sent immediately, on application to the Manager, Banqueting Department, Savoy Hotel.

TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 19, 1914.

Issue Department.

Notes Issued.....	\$55,637,870	Government Debt.....	\$11,015,100
		Other Securities.....	7,434,900
		Gold Coin and Bullion.....	37,187,870
	\$55,637,870		\$55,637,870

Banking Department.

Proprietors' Capital.....	\$14,553,000	Government Securities ..	\$26,041,152
Reserve.....	3,659,665	Other Securities.....	94,728,086
Public Deposits.....	13,674,470	Notes.....	18,451,375
Other Deposits.....	108,094,287	Gold and Silver Coin	771,979
Seven-day and other Bills	9,170		
	\$139,990,592		\$139,990,592

Comparison with Four Previous Weeks.

[In £'s sterling—£0,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.		Securities.		Re-serva.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	Govt.	Other.		%	%
July 22	29.3	40.2	13.7	42.2	11.0	33.8	29.3	3*	2*
— 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	4†	4†
Aug. 5	36.1	27.6	11.5	56.7	11.0	65.3	9.9	10‡	—
— 12	36.9	33.0	7.9	83.3	23.0	70.8	15.5	5††	—
— 19	7.2	37.9	13.7	108.1	28.0	94.7	19.2	—	5†

* January 29, 1914.

† August 1, 1914.

‡ July 30, 1914.

† August 6, 1914.

† July 31, 1914.

†† August 8, 1914.

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
Aug. 13, Thursday...	340,000 bars. 418,000 U.S. coin. 100,000 Argentina. 30,000 Uruguay.	Nil.
" 14, Friday ...	144,000 bars. 531,000 U.S. coin. 18,000 Brazil.	Nil.
" 15, Saturday ...	209,000 U.S. coin. 62,000 bars. 41,000 bars.	Nil.
" 17, Monday ...	243,000 U.S. coin. 100,000 Argentina. 366,000 bars.	Nil.
" 18, Tuesday ...	518,000 U.S. coin. 13,000 U.S. coin. 70,000 Brazil.	Nil.
" 19, Wednesday ...	183,000 bars.	Nil.
Total for week ...	3,402,000	—
Aug. 20, Thursday ...	1,030,000 bars. 278,000 U.S. coin.	Nil.
" 21, Friday ...	224,000 bars. 10,000 U.S. coin.	25,000 Malta.

Gold.—From Messrs. PIXLEY & ABELL'S Circular, Aug. 20, 1914.

About £770,000 in bar gold has arrived this week and will go to the Bank of England. Although the shipment of gold to India is not prohibited we understand that none has been engaged. Shipments of gold from South Africa are suspended, the Bank of England having made arrangements for the gold to be retained in that country to their order. Since our last the Bank has received £1,846,000 in bar gold, £1,792,000 in United States gold coin, and £186,000 from South America in sovereigns. Imports: South Africa, £640,000; India, £68,000; West Indies, £57,000; Australia, £21,000; Brazil, £10,000.—Total, £776,000.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation.....	£28.6	£29.9	£29.2	£29.3	£37.2
Public Deposits.....	6.5	8.1	17.5	10.3	13.7
Private Deposits.....	40.2	43.5	42.9	43.2	108.1
Government Securities.....	14.2	15.0	13.4	12.4	26.0
Other Securities.....	25.0	25.2	35.1	27.8	94.7
Reserve.....	25.6	29.5	30.1	31.4	19.2
Ratio to Liabilities.....	54½%	57-13%	49-86%	53-62%	15-80%
Bullion (both Departments).....	35.8	40.9	40.9	42.3	37.9
Money:					
Bank of England Rate.....	3%	3%	3%	4½%	5%
Bank of France Rate.....	3%	3%	3%	4%	5%
Rate 3 months' Bills London ...	2½%	2½-½%	3½%	3½-½%	5½%
Exchanges:					
Paris Cheque.....	25 25½	25 25½	25 27	25 25	nom.
Hamburg 8 days.....	20 45	20 49	20 46½	20 44	nom.
New York 60 days.....	4 85½	4 83-60	4 84-35	4 83-15	nom.
Bombay Telegraphic Transfers	1½½	1/4	1/4	1/4	1½½
Prices:					
Consols 2½ % Cash.....	88½	78½	75½	75½	69½
French Rente 3 % Money.....	98 17½	94 52	92 62	88 40	75
Silver, London spot.....oz.	786½	724½	728½	727½	726
Wheat, Gazette average.....lb.	28/4	31/6	38 2	34 3	40/3
Oatmeal, Mid. Upland.....qb.	-6/02	-6/81	-6/62	-6/67	-6/20
Iron, Scotch pig.....ton	52/0n.	53/3	68 1½	62 6	57/3

ARGENTINA—Gold in Caja de Conversion (at 4s. per peso).	BRAZIL—Gold in Caixa de Conversion (at 16s. per milreis).
1914—June 4.....	1914—June 30.....
" 11.....	July 4.....
" 18.....	" 11.....
" 25.....	" 18.....
" 30.....	" 25..... (lowest)
July 6.....	1913—Dec. 31.....
" 16.....	Feb. 12 (maximum).....

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY	Gold.	Cash. Silver.	Total.	Ad- vances.	Amount.	Note Cir'ltion. Above—cr beneath + legal max.	Other Securities.
July 7, '14 ...	£	£	£	£	£	£	£
July 15, '14 ...	52.119	12.047	64.168	8.310	94.054	— 2.389	34.570
July 23, '14 ...	51.966	12.068	64.132	7.934	90.517	+ 1.016	32.209
July 23, '12 ...	51.578	12.141	63.719	7.772	88.740	+ 2.479	31.993
July 23, '13 ...	50.579	10.794	61.373	9.305	90.527	— 1.655	32.720
July 23, '12 ...	51.631	12.272	63.903	5.062	87.878	+ 3.024	30.477
BELGIUM.	Gold.	Cash. Silver.	Total.	Discounts.	Circulation.	Deposits.	
July 23, 1914...	£10.465	£2.763	£13.228	£28.155	£39.058	£3.452	
July 30, 1914...	10.466	2.241	12.707	33.483	44.786	4.969	
Aug. 6, 1914...	10.977	633	11.610	41.925	51.800	6.263	
Aug. 7, 1913...	9.453	2.770	12.223	27.835	39.460	4.665	
Aug. 8, 1912...	8.076	2.699	10.775	25.865	37.108	4.051	
DENMARK.	Coin and Bullion.	Discounts.	Balance Abroad.	Securities.	Circulation.	Deposits.	
May 30, 1914 ...	£4.557	£4.915	£1.339	£602	£8.737	£240	
June 30, 1914 ...	4.565	5.309	1.102	602	8.879	264	
July 31, 1914 ...	4.352	5.197	786	588	8.693	47	
July 31, 1913 ...	4.153	4.778	1.181	608	8.193	39	
July 31, 1912 ...	4.239	4.589	808	632	7.792	34	
FRANCE.	Gold.	Cash. Silver.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
July 16, 1914...	£163.707	£26.407	£190.114	£ 64.832	£241.787	£11.596	£ 37.181
July 23, 1914...	164.176	25.584	189.760	61.643	238.478	18.024	37.719
July 30, 1914...	165.654	25.013	190.667	97.768	267.327	15.302	37.903
July 31, 1913...	134.489	25.095	159.584	73.616	227.073	15.523	26.297
Aug. 1, 1912...	131.467	32.071	163.538	51.649	209.587	11.632	25.877
GERMANY.	Gold.	Cash. Silver.	Total.	Loans & Dis- counts.	Note Cir'ltion. Amount.	Above—cr beneath + legal max.	Deposits.
July 7, '14...	£65.555	£15.737	£81.292	£51.804	£109.615	+ £ 2.888	£41.858
July 15, '14...	67.204	16.238	83.442	43.368	99.728	+ 15.822	44.762
July 23, '14...	67.843	16.727	84.570	40.055	94.645	+ 22.804	47.198
July 23, '13...	67.835	14.852	72.687	51.985	91.300	+ 12.429	35.697
July 23, '12...	48.954	17.514	66.468	58.869	53.869	+ 18.261	37.196
HOLLAND.	Gold.	Cash. Silver.	Total.	Dis- counts.	Ad- vances.	Circulation.	Deposits.
Aug. 1, 1914 ...	£13.496	£249	£13.745	£13.422	£10.332	£35.660	£1.437
Aug. 8, 1914 ...	13.499	53	13.552	18.005	11.679	36.880	1.477
Aug. 15, 1914 ...	13.499	51	13.550	15.763	11.429	37.117	2.636
Aug. 16, 1913 ...	12.275	691	12.966	5.930	6.805	25.179	280
Aug. 17, 1912 ...	11.975	909	12.984	6.638	6.299	24.022	347
ITALY.	Cash.	Inland Bills.	Foreign Bills.	Ad- vances.	Securities.	Circulation.	Deposits.
June 20, '14 ...	£48.600	£16.993	£3.303	£2.425	£8.327	£82.878	£8.610
June 30, '14 ...	48.283	18.967	3.346	4.027	8.153	87.320	7.741
July 10, '14 ...	48.200	18.168	3.301	3.518	8.178	87.129	7.890
July 10, '13 ...	49.550	17.607	2.794	3.277	5.776	65.034	8.062
July 10, '12 ...	46.037	18.461	2.784	4.460	6.439	65.737	7.355
N. YORK BANKS.	Loans and Dis- counts.	Specie.	Reserve. L. Tend.	Total.	Legal Net Deposits.	Circulation.	Surplus Reserve.
July 18, '14...	£286.310	£61.956	£14.700	£76.656	£294.234	£8.360	£3.098
July 25, '14...	286.158	63.808	14.892	78.700	295.734	8.348	4.768
Aug. 1, '14...	285.140	59.994	14.816	74.810	290.918	8.316	2.080
Aug. 2, '13...	270.992	59.182	14.886	74.068	273.980	9.360	5.574
Aug. 3, '12...	277.894	58.984	16.332	75.316	285.844	9.108	3.854
N. YORK TRUST COS.	Loans and Dis- counts.	Specie.	Reserve. L. Tend.	On Dep. with C.H. Members.	Total.	Legal Net Deposits.	Cash Surplus Reserve.
July 18, '14 ...	£127.702	£13.149	£1.311	£12.967	£27.427	£96.057	£ 51
July 25, '14 ...	125.540	13.206	1.410	12.954	27.570	95.709	259
Aug. 1, '14 ...	126.098	12.693	1.395	12.219	26.297	96.249	Def. 360.
Aug. 2, '13 ...	112.666	11.292	1.312	14.470	27.074	82.477	233
Aug. 3, '12 ...	130.191	13.277	1.371	14.427	29.075	98.360	194
NORWAY.	Gold.	Balance Abroad.	Securities.	Loans & Dis- counts.	Circulation.	Deposits.	
July 22, 1914...	£2.892	£1.812	£498	£4.367	£6.658	£591	
July 31, 1914...	2.960	1.678	493	4.688	6.752	793	
Aug. 7, 1914...	3.091	1.557	496	6.468	8.369	1,004	
Aug. 7, 1913...	2.446	1.778	503	4.041	5.943	421	
Aug. 7, 1912...	2.253	1.197	518	3.736	5.291	583	
RUSSIA.	Gold.	Cash. Silver.	Total.	Reserve.	Loans & Dis- counts.	Circulation.	Total Deposits.
July 14, '14...	£174.351	£7.339	£181.690	£18.653	£77.425	£163.037	£106.214
July 21, '14...	174.509	7.322	181.892	18.481	76.081	163.411	109.811
Aug. 5, '14...	171.808	6.859	178.667	Def. 7.311	101.170	165.978	117.681
Aug. 5, '13...	161.848	7.665	169.513	21.904	82.485	147.609	112.459
Aug. 5, '12...	154.345	8.083	162.428	32.519	60.277	129.909	102.720
SPAIN.	Gold.	Cash. Silver.	Total.	Loans & o.	Spanish 4 %	Circulation.	Deposits, &c.
July 24, '14...	£21.739	£29.191	£50.930	£40.100	£13.778	£76.760	£19.562
Aug. 1, '14...	21.804	29.187	50.951	40.572	13.778	77.557	18.955
Aug. 8, '14...	21.811	29.937	49.748	44.320	13.778	79.736	19.730
Aug. 9, '13...	18.449	29.687	48.116	40.008	13.778	75.930	17.020
Aug. 10, '12...	17.073	29.960	47.033	39.816	13.778	73.734	18.394
SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt Secs.	Discounts & Loans.	Circulation.	Deposits.	
July 25, '14 ...	£5.878	£6.420	£1.556	£5.136	£11.456	£3.788	
Aug. 1, '14 ...	5.717	6.159	1.555	7.495	13.432	3.903	
Aug. 8, '14 ...	5.723	3.373	144	10.503	15.682	4.146	
Aug. 9, '13 ...	5.703	3.571	1.264	7.496	11.466	2.813	
Aug. 10, '12 ...	5.374	5.762	1,315	5.416	11.035	2.474	

	* Compared with a year ago.	(c) No. of cars.	Months.
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VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS, 17 HOME RAILS, 31 WEEKS TO AUG. 2.

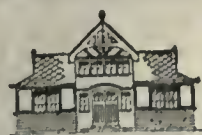
In £'s sterling [000's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
London & N.W.	1,149	—	£1,226	+ 33	£1,768	+ 58	£3,024	+ 25
London & S.W.	471	—	£522	+ 10	£619	+ 23	£1,174	+ 13
at Central	683	+ 13	£770	+ 29	£1,112	+ 110	£2,892	+ 81
at Eastern	1,207	—	£1,852	+ 1	£1,530	+ 3	£3,382	+ 2
at Northern	1,032	—	£1,605	+ 7	£2,302	+ 17	£3,907	+ 10
S. & W. (Ireland)	1,130	—	£1,402	+ 4	£1,460	+ 23	£2,862	+ 27
at Western	2,984	+ 18	£4,255	+ 90	£4,701	+ 12	£8,956	+ 102
don & Yorkshre	6,004	+ 34	£1,678	+ 4	£2,024	+ 119	£3,700	+ 115
don & N.W.	2,034	+ 4	£4,217	+ 50	£5,150	+ 151	£9,367	+ 101
don & S.W.	984	—	£2,061	+ 5	£2,985	+ 7	£5,046	+ 12
., Brighton & S.C.	487	—	£1,516	+ 4	£1,603	+ 1	£3,119	+ 5
th British	1,584	—	£2,878	+ 40	£5,289	+ 124	£8,167	+ 84
th Eastern	1,373	—	£1,176	+ 20	£1,843	+ 43	£3,019	+ 23
th London	1,753	+ 2	£2,270	+ 66	£4,213	+ 149	£6,489	+ 83
th Chatham Rys.	654	—	£88	+ 10	£144	+ 6	£242	+ 18
Week to Aug. 2, '14	18,126	+ 251	£28,936	+ 336	£34,344	+ 814	£63,280	+ 478
Week to Aug. 2, '13	17,916	+ 444	£28,209	+ 1,702	£34,861	+ 3,724	£63,070	+ 5,426
Week to Aug. 2, '14	18,126	+ 251	£1,658	+ 19	£1,121	+ 30	£2,779	+ 49
Week to Aug. 2, '13	17,916	+ 444	£1,655	+ 88	£1,140	+ 31	£2,795	+ 85

In £'s sterling [000's omitted.]	Miles		Gross		Net		Total	
	Week to	+ or -	Week to	+ or -	Week to	+ or -	Week to	+ or -
London & N.W.	68	—	£80	+ 31	£510.174	+ 5,753	£510.174	+ 5,753
London & S.W.	61	—	£80	+ 31	£80.828	+ 142	£80.828	+ 142
at Central	1,149	—	£300	+ 31	£3,024.000	+ 25,000	£3,024.000	+ 25,000
at Eastern	300	—	£7	+ 31	£193.872	+ 2,300	£193.872	+ 2,300
at Northern	71	—	£153.118	+ 31	£153.118	+ 2,378	£153.118	+ 2,378
S. & W. (Ireland)	71	—	£82.703	+ 31	£82.703	+ 5,243	£82.703	+ 5,243
at Western	139	—	£323.501	+ 31	£323.501	+ 18,334	£323.501	+ 18,334
don & Yorkshre	471	—	£1,174.200	+ 31	£1,174.200	+ 12,600	£1,174.200	+ 12,600
don & N.W.	811	+ 11	£3,446.800	+ 31	£3,446.800	+ 83,500	£3,446.800	+ 83,500
don & S.W.	1,207	—	£3,382.200	+ 31	£3,382.200	+ 2,700	£3,382.200	+ 2,700
., Brighton & S.C.	336	—	£316.640	+ 31	£316.640	+ 7,230	£316.640	+ 7,230
th British	1,032	—	£3,907.300	+ 31	£3,907.300	+ 10,000	£3,907.300	+ 10,000
th Eastern	Aug. 14	—	£729.515	+ 31	£729.515	+ 5,965	£729.515	+ 5,965
th London	Aug. 14	—	£774.994	+ 31	£774.994	+ 27,486	£774.994	+ 27,486
th Chatham Rys.	2,984	+ 18	£8,956.000	+ 31	£8,956.000	+ 102,000	£8,956.000	+ 102,000
Week to Aug. 2, '14	492	—	£346.876	+ 31	£346.876	+ 12,237	£346.876	+ 12,237
Week to Aug. 2, '13	90	—	£433.841	+ 31	£433.841	+ 46,319	£433.841	+ 46,319
London & N.W.	600	+ 31	£3,700.350	+ 31	£3,700.350	+ 114,600	£3,700.350	+ 114,600
London & S.W.	2,034	+ 4	£9,367.000	+ 31	£9,367.000	+ 117,000	£9,367.000	+ 117,000
at Central	984	—	£2,056.400	+ 31	£2,056.400	+ 5,786	£2,056.400	+ 5,786
at Eastern	487	—	£432.635	+ 31	£432.635	+ 1,900	£432.635	+ 1,900
at Northern	211	—	£60.402	+ 31	£60.402	+ 11,331	£60.402	+ 11,331
S. & W. (Ireland)	421	—	£68.071	+ 31	£68.071	+ 289	£68.071	+ 289
at Western	421	—	£68.071	+ 31	£68.071	+ 42,280	£68.071	+ 42,280
don & Yorkshre	1,584	—	£406.451	+ 31	£406.451	+ 353	£406.451	+ 353
don & N.W.	Aug. 14	—	£816.000	+ 31	£816.000	+ 84,000	£816.000	+ 84,000
don & S.W.	1,373	—	£400.255	+ 31	£400.255	+ 8,717	£400.255	+ 8,717
., Brighton & S.C.	1,753	+ 2	£3,019.600	+ 31	£3,019.600	+ 22,500	£3,019.600	+ 22,500
th British	16	—	£6,489.000	+ 31	£6,489.000	+ 83,000	£6,489.000	+ 83,000
th Eastern	207	—	£242.395	+ 31	£242.395	+ 16,438	£242.395	+ 16,438
th London	361	—	£620.160	+ 31	£620.160	+ 17,970	£620.160	+ 17,970
th Chatham Rys.	31	—	£97.277	+ 31	£97.277	+ 3,692	£97.277	+ 3,692
Week to Aug. 2, '14	501	—	£77.775	+ 31	£77.775	+ 2,351	£77.775	+ 2,351
Week to Aug. 2, '13	654	—	£228.812	+ 31	£228.812	+ 8,715	£228.812	+ 8,715
Week to Aug. 2, '14	124	—	£2,994.348	+ 31	£2,994.348	+ 6,997	£2,994.348	+ 6,997
Week to Aug. 2, '13	124	—	£644.099	+ 31	£644.099	+ 9,590	£644.099	+ 9,590

In £'s sterling [000's omitted.]	Miles		Gross		Net		Total	
	Week to	+ or -	Week to	+ or -	Week to	+ or -	Week to	+ or -
London & N.W.	Aug. 16	819	+ 25	£22.230	+ 10,200	33	£1,156.214	+ 11,908
London & S.W.	Aug. 14	667	+ 2	£4.870	+ 2,763	7	£33.870	+ 15,187
at Central	Aug. 15	111	—	£270	+ 1,180	7	£2.150	+ 5,490
at Eastern	Aug. 15	3,362	+ 99	£202.467	+ 13,684	61	£1,302.333	+ 59,151
at Northern	Aug. 15	715	—	£116.667	+ 30,794	61	£732.000	+ 92,934
S. & W. (Ireland)	Aug. 15	1,084	+ 24	£127.200	+ 63	61	£844.333	+ 14,102
at Western	Aug. 15	226	—	£12.733	+ 20,022	61	£121.686	+ 86,851
don & Yorkshre	Aug. 15	3,518	+ 101	£55.000	+ 33,000	7	£472.000	+ 129,000
don & N.W.	Aug. 15	190	+ 25	£17.800	+ 7,500	111	£267.989	+ 22,374
don & S.W.	Aug. 16	3,729	+ 147	£58.000	+ 34,000	7	£509.841	+ 127,964
., Brighton & S.C.	Aug. 16	1,792	+ 11	£27.000	+ 18,000	7	£254.000	+ 65,000
th British	Aug. 15	3,262	+ 205	£80.000	+ 50,900	7	£671.000	+ 224,800
th Eastern	Aug. 15	271	—	£8.548	+ 1,787	7	£60.382	+ 18,790
th London	Aug. 15	311	—	£2.540	+ 1,313	7	£17.734	+ 5,498
th Chatham Rys.	Aug. 15	186	—	£1.687	+ 110	7	£10.741	+ 6,467
Week to Aug. 2, '14	Aug. 15	211	—	£1.087	+ 288	7	£7.905	+ 2,078
Week to Aug. 2, '13	Aug. 15	1,186	—	£35.310	+ 14,450	7	£245.995	+ 77,900
London & N.W.	Aug. 15	345	+ 8	£6.352	+ 290	7	£43.848	+ 369
London & S.W.	Aug. 15	624	+ 1	£6.102	+ 96	16	£64.871	+ 1,383
at Central	Aug. 15	730	—	£7.200	+ 3,100	7	£54.700	+ 16,100
at Eastern	Aug. 15	1,013	+ 6	£7.200	+ 2,500	33	£426.000	+ 13,400
at Northern	Aug. 15	203	—	£6.000	+ 3,000	61	£59.500	+ 1,000
S. & W. (Ireland)	Aug. 15	1,752	+ 51	£17.850	+ 19,903	33	£1,027.741	+ 22,489
at Western	Aug. 15	325	+ 21	£4.947	+ 132	33	£220.163	+ 9,788
don & Yorkshre	Aug. 15	193	+ 14	£2.742	+ 563	33	£114.302	+ 5,176
don & N.W.	Aug. 15	319	—	£5.956	+ 30	1	£435.163	+ 10,946
don & S.W.	Aug. 15	396	—	£18.427	+ 7,761	32	£47.945	+ 5,246
., Brighton & S.C.	Aug. 15	113	—	£20.500	+ 5,611	1	£15.510	+ 6,200
th British	Aug. 15	279	—	£7.009	+ 887	7	£253.954	+ 880,296
th Eastern	Aug. 15	359	+ 23	£2.060	+ 890	7	£24.500	+ 500
th London	Aug. 15	1,059	—	£100.3418	+ 18,999	121	£136.186	+ 1,184
th Chatham Rys.	Aug. 15	24	—	£3.250	+ 500	61	£211.547	+ 72,019
Week to Aug. 2, '14	Aug. 15	100	—	£20.663	+ 1,166	7	£130.281	+ 5,581
Week to Aug. 2, '13	Aug. 15	154	—	£27.070	+ 27,210	6	£36.756	+ 4,110
London & N.W.	Aug. 15	184	—	£24.548	+ 240	1	£38.951	+ 2,132
London & S.W.	Aug. 15	681	+ 9	£19.131	+ 1,607	7	£99.644	+ 2,064
at Central	Aug. 15	73	—	£578	+ 180	52		
at Eastern	Aug. 15	73	—	£1,489	+ 735	1		
at Northern	Aug. 15	147	—	£5,424	+ 505	7		
S. & W. (Ireland)	Aug. 15	112	—	£13.816	+ 3,364	71		

CROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Name.	Period.	Gross.	+ or - *	Net.	+ or - *
Alabama Gt. Southern	June	\$428,000	+ \$1,000	\$58,000	+ \$32,000
12 mos.	to June	5,355,000	+ 153,000	1,158,000	+ 258,000
Atchison, Top. & S.Fe.	June	9,271,000	+ 651,000	2,575,000	+ 186,000
12 mos.	to June	111,110,000	+ 5,786,000	32,115,000	+ 2,476,000
Atlantic Coast Line	June	2,851,000	+ 242,000	476,000	+ 52,000
12 mos.	to June	36,833,000	+ 710,000	9,054,000	+ 980,000
Baltimore & Ohio	June	7,801,000	+ 1,214,000	1,522,000	+ 778,000
12 mos.	to June	97,411,000	+ 4,444,000	25,357,000	+ 2,419,000
Canadian Northern	June	1,655,300	+ 522,900	463,300	+ 79,200
12 mos.	to June	22,700,700	+ 278,800	6,351,700	+ 302,700
Canadian Pacific	June	10,050,000	+ 1,820,000	3,336,000	+ 291,000
12 mos.	to June	129,810,000	+ 9,821,000	42,428,000	+ 3,819,000
Chesapeake & Ohio	June	3,161,000	+ 101,000	965,000	+ 100,000
12 mos.	to June	36,690,000	+ 1,605,000	11,036,000	+ 403,000
Chicago & N. Western	June	7,278,000	+ 82,000	1,582,000	+ 283,000
12 mos.	to June	83,677,000	+ 642,000	20,027,000	+ 1,770,000
Chic. Burl. & Quincy	May	6,520,000	+ 776,000	904,000	+ 220,000
11 mos.	to May	85,239,000	+ 1,640,000	24,940,000	+ 1,642,000
Chicago Great Western	June	1,158,000	+ 67,000	233,000	+ 55,000
12 mos.	to June	14,260,000	+ 262,000	3,536,000	+ 322,000
Chic. Mil. & St. Paul	June	7,852,000	+ 32,000	2,254,000	+ 192,000
12 mos.	to June	93,586,000	+ 2,276,000	26,606,000	+ 2,440,000
Ch.St.P. Min. & Omaha	June	1,450,000	+ 77,000	357,000	+ 14,000
12 mos.	to June	17,992,000	+ 1,000,000	4,396,000	+ 128,000
Clev. Clin. Chic. & St. L.	June	2,923,000	+ 258,000	499,000	+ 195,000
6 mos.	to June	16,408,000	+ 1,200,000	446,000	+ 724,000
Colorado & Southern	June	986,000	+ 119,000	320,000	+ 111,000
12 mos.	to June	13,223,000	+ 1,355,000	3,476,000	+ 978,000
Cuba Railroad	June	432,000	+ 33,000	177,000	+ 42,000
12 mos.	to June	5,165,000	+ 533,000	2,471,000	+ 256,000
Delaware & Hudson	June	1,965,000	+ 11,000	667,000	+ 34,000
6 mos.	to June	10,683,000	+ 1,009,000	2,810,000	+ 1,774,000
Denver & Rio Grande	June	1,791,000	+ 82,000	492,000	+ 150,000
12 mos.	to June	23,167,000	+ 1,286,000	6,138,000	+ 322,000
Erie Railroad	May	4,863,000	+ 549,000	1,347,000	+ 287,000
11 mos.	to May	55,671,000	+ 1,619,000	11,228,000	+ 3,447,000
Grand Trunk System	June	\$933,500	+ \$121,500	\$260,200	+ \$45,650
6 mos.	to June	5,129,400	+ 464,450	1,003,150	+ 83,350
Great Northern	June	\$6,111,000	+ \$887,000	\$1,473,000	+ \$14,000
12 mos.	to June	75,441,000	+ 3,214,000	24,290,000	+ 4,380,000
Hocking Valley	June	477,000	+ 246,000	142,000	+ 125,000
12 mos.	to June	7,021,000	+ 796,000	1,766,000	+ 690,000
Illinois Central	June	5,281,000	+ 69,000	863,000	+ 364,000
12 mos.	to June	66,373,000	+ 1,587,000	11,739,000	+ 489,000
Interoceanic of Mexico	June	349,000	+ 504,000	5,000	+ 315,000
12 mos.	to June	9,146,000	+ 24,000	2,734,000	+ 627,000
Kansas City Southern	June	930,000	+ 126,000	337,000	+ 109,000
12 mos.	to June	10,993,000	+ 287,000	3,516,000	+ 27,000
Lake Shore & Mich. So.	June	4,383,000	+ 444,000	1,098,000	+ 157,000
6 mos.	to June	24,437,000	+ 4,698,000	6,443,000	+ 3,240,000
Lehigh Valley	June	3,622,000	+ 121,000	1,297,000	+ 360,000
12 mos.	to June	39,783,000	+ 3,259,000	10,345,000	+ 1,864,000
Louisville & Nashville	June	4,518,000	+ 152,000	260,000	+ 312,000
12 mos.	to June	69,683,000	+ 217,000	12,345,000	+ 656,000
Mexican Railway	June	666,100	+ 242,800	307,800	+ 174,400
6 mos.	to June	4,554,000	+ 270,300	1,950,500	+ 692,100
Michigan Central	June	2,839,000	+ 176,000	757,000	+ 17,000
12 mos.	to June	15,961,000	+ 1,743,000	2,660,000	+ 1,410,000
Min.St.P.(Soo)System	June	2,242,000	+ 224,000	468,000	+ 81,000
12 mos.	to June	29,306,000	+ 2,999,000	8,172,000	+ 3,063,000
Miss. Kansas & Texas	June	2,312,000	+ 40,000	556,000	+ 233,000
12 mos.	to June	31,522,000	+ 825,000	8,557,000	+ 764,000
Missouri Pacific	May	4,674,000	+ 482,000	898,000	+ 599,000
11 mos.	to May	55,106,000	+ 2,324,000	12,982,000	+ 881,000
National of Mexico	June	1,563,000	+ 1,628,000	73,000	+ 197,000
12 mos.	to June	34,069,000	+ 23,301,000	2,287,000	+ 18,840,000
New York Central	June	7,985,000	+ 504,000	2,051,000	+ 339,000
6 mos.	to June	43,820,000	+ 3,864,000	6,893,000	+ 1,801,000
N.Y.N. Haven & Hart.	May	5,604,000	+ 238,000	1,073,000	+ 181,000
11 mos.	to May	60,842,000	+ 3,051,000	13,104,000	+ 3,670,000
N.Y. Ontario & Western	June	810,000	+ 6,000	275,000	+ 3,000
12 mos.	to June	9,041,000	+ 413,000	2,105,000	+ 614,000
Norfolk & Western	June	3,714,000	+ 29,000	1,277,000	+ 79,000
12 mos.	to June	44,470,000	+ 730,000	14,535,000	+ 639,000
Northern Central	June	1,037,000	+ 70,000	106,000	+ 17,000
6 mos.	to June	6,061,000	+ 439,000	770,000	+ 107,000
Northern Pacific	May	5,076,000	+ 890,000	1,384,000	+ 85,000
11 mos.	to May	62,880,000	+ 3,764,000	20,037,000	+ 2,332,000
Pennsylvania System	June	21,072,000	+ 1,290,000	5,120,000	+ 146,000
E. of Pittsburg	6 mos.	116,568,000	+ 8,253,000	18,764,000	+ 2,861,000
W. of Pittsburg	June	8,895,000	+ 1,457,000	2,304,000	+ 423,000
6 mos.	to June	63,915,000	+ 7,440,000	7,595,000	+ 629,000
Pitts. C. & St. Louis	June	3,313,000	+ 338,000	725,000	+ 352,000
6 mos.	to June	19,024,000	+ 2,115,000	2,973,000	+ 816,000
Phila. & Reading Ry.	May	4,055,000	+ 315,000	1,346,000	+ 190,000
11 mos.	to May	44,753,000	+ 2,739,000	14,462,000	+ 3,885,000
Phila. & R. Coal & Iron	May	2,931,000	+ 362,000	101,000	+ 61,000
11 mos.	to May	30,718,000	+ 777,100	763,000	+ 9,855,000
Rock Island Lines	June	6,157,000	+ 2,199,000	1,622,000	+ 227,000
12 mos.	to June	68,208,000	+ 5,136,000	13,719,000	+ 1,565,000
St. L. & San Francisco	June	3,251,000	+ 268,000	730,000	+ 534,000
12 mos.	to June	42,459,000	+ 943,000	9,970,000	+ 3,406,000
Seaboard Air Line	June	1,947,000	+ 6,000	555,000	+ 24,000
12 mos.	to June	25,292,000	+ 763,000	6,965,000	+ 146,000
Southern	June	5,167,000	+ 20,000	773,000	+ 418,000
12 mos.	to June	69,634,000	+ 1,004,000	16,311,000	+ 1,645,000
Southern Pacific	June	11,544,000	+ 100,000	3,031,000	+ 230,000
12 mos.	to June	138,520,000	+ 4,234,000	37,695,000	+ 6,812,000
Union Pacific	June	7,290,000	+ 273,000	2,590,000	+ 390,000
12 mos.	to June	92,115,000	+ 1,521,000	31,626,000	+ 3,316,000
Wabash	June	2,338,000	+ 260,000	95,000	+ 270,000
12 mos.	to June	30,023,000	+ 1,745,000	4,519,000	+ 1,596,000
Western Pacific	June	511,000	+ 1,000	117,000	+ 19,000
12 mos.	to June	6,099,000	+ 73,000	697,000	+ 708,000
U.S. & MEX.	Week to	Miles.	+ or - *	Gross.	+ or - *
Ches. & Ohio	Aug. 7	2,346	+ 22	\$711,000	+ 23,000
Chic. Gt. West.	Aug. 7	1,496	+ 21	255,000	+ 13,000
Colorado & S.	Aug. 14	1,836	+ 10	263,000	+ 61,000
Denver & R.G.	Aug. 14	2,585	+ 25	482,000	+ 39,000
Gt. Northern	M. of June	7,803	+ 48	6,060,000	+ 738,000
Illinois Central	M. of July	4,762	+ 21	5,327,000	+ 31,000
Interoc. of Mex.	July 31	1,047	+ 23	1,089,000	+ 219,230
Louisville & N.	Aug. 7	4,941	+ 28	219,900	+ 20,800
Mexican Rlwy.	Aug. 14	403	+ 89	750,000	+ 13,000
M. St. P. (Soo)	July 31	4,065	+ 48	600,000	+ 66,000
Miss. Kansas	Aug. 14	3,865	+ 1	1,807,000	+ 6,000
Miss. Pacific	July 31	7,284	+ 73	409,000	+ 451,000
National Mex.	July 31	6,135	+ 12	503,000	+ 12,000
Seaboard Air	July 31	3,093	+ 10	1,256,000	+ 42,000
Southern Rlwy.	Aug. 14	7,046	+ 9	197,000	+ 1,000
Western Pacific	July 31	942	+ 22	\$711,000	+ 23,000
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The Statist.

LONDON, SATURDAY, AUGUST 22, 1914.

THE FINANCIAL SITUATION.

We are glad to be able to say that the position is improving slowly, it is true, but for all that decidedly. There is much more confidence than there was a week ago, and the public generally is looking forward much more hopefully to the future. On all hands it is admitted that the Government has acted admirably.

It has committed itself in the form of guarantees to liabilities of immense amount; it has proclaimed a moratorium; it has enabled the holders of acceptances issued before the war broke out to discount those acceptances; and thereby it has added immensely to the supply of loanable capital in the market. One hears everywhere one goes loud praise also of the action of the Bank of England. It is working with a will, and as far as its staff is capable of acting. For a time it kept the staff till the early hours of the morning, and even now they are kept at work late in the evening. We believe we are justified in saying that it is discounting and lending at the rate of about 5 millions a day, which, if true, means that in no more

The Joint-stock Banks.

than 10 days it has added to the available resources of the London Money market the immense sum of 50 millions sterling, or more than half the estimated amount under ordinary circumstances of the bills discounted in London at one time. But while all are loud in praise of the Government and the Bank of England, there is much unfavourable criticism of the action of the joint-stock banks and of the great bill-broking establishments. It is only necessary to turn to this week's return of the Bank of England to satisfy oneself of the immense assistance which has been afforded by the Government and the Bank of England to the trade of the country. The "Other" securities amount to practically 94½ millions sterling, showing in a single week an increase of practically 24 millions sterling; while the "Other" deposits exceed the enormous sum of 108 millions, being an increase of over 24½ millions sterling. Naturally, people are asking under these circumstances how it is that the joint-stock banks are doing so little, are putting off their customers, and only lending and discounting on a minute scale. Also, how it is that the great dealers in bills, other than the joint-stock banks, are practically on strike. The answer of the joint-stock banks put in the briefest possible form is that, firstly, they hold an immense amount of German and Austrian acceptances; that owing to the war these cannot be cashed; while nobody knows what will be the condition of the foreign banks when the war comes to an end. In addition, it is urged that the banks in the ordinary course of their business had lent immense sums to the Stock Exchange and others before the war broke out; that, in consequence of the war, prices have fallen so seriously that those securities are no longer equal in value to the loans made; and that thus the banks have been hit in two ways. The

bill-brokers' argument need not be detailed. It is practically contained in the defence put up by the joint-stock banks. We regret that the feeling everywhere is that the joint-stock banks' case is not made out—that, in fact, they are acting contrary to their own interests as well as to those of the country—and it is predicted that when Parliament meets next week they will be subjected to not a little hostile criticism which may result in measures that will be far from agreeable to the banks. That kind of prediction is easily made, and we need not say that we do not associate ourselves with it. But that there will be criticism is very probable; and that it will be by no means friendly. We hope that the joint-stock banks will recognise that if some of the criticism is exaggerated, and some prompted by other than reasonable considerations, yet it has to be reckoned with, and that the wise course for the banks is to do what they can to restore confidence and thereby to bring about that improvement in credit which is sure to raise prices, and so materially to benefit the banks. As has been said above, the Bank of England is doing a very large business in discounting and lending. The City generally estimates the amount at about five millions a day on the average, or over. Therefore it is clear that of the emergency currency which has been created by the Government to meet the serious crisis caused by the war, a very large amount must have gone into the banks. Suppose that anything like 50 or 60 millions sterling has already been paid out by the Bank of England and lodged with the banks in the form of deposits or otherwise, is it not highly unwise on the part of the banks to merely sit upon this vast sum? If the banks were to show the confidence which the Government and the Bank of England are exhibiting, and were to begin lending and discounting freely, everybody engaged in trade would be able to obtain the working capital he required, and would, therefore, be in a position to continue employment to all those who hitherto had been serving him. Surely our banking friends must recognise that nothing is to be more deprecated than a considerable increase in unemployment; and they must see that if employers of labour find it difficult to obtain the banking accommodation to which they have been accustomed, they cannot possibly go on indefinitely keeping employed all those who now serve them. Every consideration, then, of patriotism and of self-interest urges the banks to co-operate with the Government, and to make it possible for all classes to stand shoulder to shoulder in the grave danger in which we find ourselves. If the banks think that some further step on the part of the Government ought to be taken, let them by all means come forward and explain what would give them complete confidence. Otherwise, they will unquestionably alienate the general public.

We have said that the bill-broking establishments of all kinds are likewise refusing to work on the ordinary scale, thereby are making it difficult for their customers to carry on their business, and are thus rendering it probable that employment will be restricted in still other directions. The bill brokers, no doubt, complain that they are very much in the hands of the banks. They look to the banks for the working capital which they usually employ, and if they cannot obtain it they are compelled, against their will, to restrict their operations. To a large extent the complaint is well founded. We of this Journal have been urging the joint-stock banks for a quarter of a century and more to keep gold reserves; and in the earlier period of our agitation it used to be replied to us that it was quite unnecessary for them to keep gold reserves, because they held large reserves, partly in the form of investments in sound securities, partly in Bank of England notes, and partly in loans to bill brokers. Now it is demonstrated how hollow the argument was. The bill brokers are practically being compelled to stop working because

The Bill Brokers.

they cannot get the accommodation to which they have been accustomed from the banks; while the securities held by the banks, they themselves plead, are unduly depreciated. It is to be hoped that the lesson will be taken to heart, and that, without a moment's avoidable delay, the joint-stock banks will really undertake to form large gold reserves. That action, however, can be postponed to a more favourable time. The matter that is urgent now is that the joint-stock banks should, without a moment's delay, begin again to afford accommodation to the bill brokers. By so doing they will enable all who have to draw bills to get them discounted, and thus they will assist materially in maintaining full employment for the working classes. The bill brokers are interested in the securities of enemy countries, no doubt, and are perturbed thereby. They are still more influenced in their action by the conduct of the joint-stock banks. The very fact that the example set by the joint-stock banks is being followed by the great discounting houses is itself a strong additional argument against continuing that action, and ought to spur the banks to begin without delay to give the help that is required to put trade upon a safe footing. It is not merely the internal trade that is disturbed. The seaborne trade is equally so. We have information of several instances in which British companies and British firms working in the Far East and in the Far West have been unable to obtain means of remittance from the banks working locally. The local banks urge that they cannot give the means of remittance because of the attitude taken up by the English banks. Thus the seaborne trade is being hampered as well as the internal trade. In other words, the action of the joint stock banks is not only causing an increase of unemployment at home, but is making it difficult for merchants to ship freely and duly from distant ports. It is most earnestly to be hoped, then, that our banking friends will take all these matters into consideration, and will well ponder how best they can begin to work fully again. Not a moment's avoidable delay ought to be allowed, for it is clear that Parliament cannot afford to permit action which may not only increase unemployment, but even decrease our own supplies of provisions and raw materials from abroad. When the joint-stock banks begin to accommodate their customers freely we trust that the great bill-discounting establishments will follow the example, and that in this way it will be soon made possible for the whole of our trade to resume full activity. Indeed, the prospect for trade is excellent if the monetary machine only works properly. Assuming that our Navy is able to retain command of the sea, the very fact that both Germany and Austria-Hungary will be compelled to withdraw from the seaborne trade makes it possible for our merchants and manufacturers to add largely to their businesses. It is never to be forgotten that during the great revolutionary wars a century ago not only did England win that command of the sea which she has retained ever since, but she also established herself as the greatest of all commercial countries, and constituted London as the Clearing House and the banking centre for the whole of mankind. In a crisis like the present those who have inherited these immense advantages are bound to show that England is still able to fulfil her mission, and to act safely and wisely as the central banker, the central clearing-house, and the great lender to all the earth.

We come in the last place to the Stock Exchange. Every reader knows that the moratorium extends to this, and that although it is open for actual purchases and sales where cash is paid on the spot, all speculative transactions are rendered impossible. For some time longer it will, we venture to think, be necessary to continue this state of things. Nevertheless, our readers should clearly recognise that there are grave disadvantages in it. To mention only one, the Government has obtained a Vote of Credit for 100 millions

sterling. That vast sum will have to be raised probably not all at once, but some portion of it will necessarily be required before long. For a time Treasury Bills and other temporary expedients may suffice. But the sooner a great National Loan is issued the better it will be for all concerned. A great and successful loan at so anxious a time as the present will impress all the world. Moreover, it will enable the Government to do many things which it is not desirable should be discussed in Parliament. And, therefore, the sooner the Stock Exchange is opened the better it will be. A loan must be issued whether the Exchange is open or not, because the money must be furnished to carry the war through. But it is obvious

The Stock Exchange.

that it will be made impossible to many persons to subscribe as largely as they would wish to do if they can neither borrow freely upon Stock Exchange securities nor sell them for prices which would be reasonable. If even the best securities can be sold only at a ruinous loss, the whole country will suffer, and the loan will not be the success it is desirable it should be. There can be no question, then, that the closing of the Stock Exchange injures business in many ways. For all that the time has not come, we think, for opening the Stock Exchange. For the loss of a great battle would unquestionably lead to a fall in the securities of the defeated parties. Nobody can foresee the fortune of war. Only a braggart will care to predict that his own side must necessarily be victorious. Until, then, the temper of the opposed forces is actually tested it seems to us that it would be wise to leave the Stock Exchange as it is at present. But we need not discuss the matter further at the present moment. We hope to return to it and to deal with it more fully next week.

RUSSIA'S REPLY TO GERMANY.

WAR TO THE BITTER END.

WHAT thoughtful observers have been fearing for a considerable time has come to pass, and the Tsar, through the Grand Duke Nicholas, Generalissimo of the Russian forces, in his manifesto to the Poles declares war to the knife against Germany, thus changing profoundly the character of the dread conflict into which we have been so madly hurried by the Kaiser. At first it bore the appearance of a war to the death between Germany and France. Now we have added an equally bitter struggle between the Slav and the Teuton. Such being the case, it is to be feared that the contest will be a long, a bloody, and a destructive one. France and Germany are, in fact, fighting for dear life, and each must struggle on until utterly exhausted, unless, indeed, victory very early, decisive, and complete declares for one or other. The Russian Government, through its Commander-in-Chief, appeals to the Poles, not in Russia only, but in Prussia and Austria as well, to rally to the Russian standard, and in

A Momentous Move.

return it promises to re-unite the dismembered Polish provinces, and to give to the reconstituted kingdom Home Rule and free use both of their language and of their religion. In passing we may remark that the Manifesto strikingly demonstrates the deep impression made at St. Petersburg by Britain's treatment of the Boers and by the Irish Home Rule Bill. It is hardly necessary to add that it is also turning against Germany the course of conduct so long pursued by the latter against France. Will the Poles accept the promise? It seems reasonable to expect that they will, since they are not likely to find a better opportunity in the near future; and since, besides, the Russian Poles have greatly prospered during the past half-century. Moreover, a people increasing in wealth and in confidence are not likely to throw away so tempting an opportunity. The Prussian Poles are extremely dissatisfied with their lot. Not only is the Prussian Government

endeavouring to suppress the Polish nationality and the Polish religion—it will be remembered how a little while ago the school children all struck because Polish was practically expelled from the schools—but, likewise, the Prussian Parliament has voted large sums of money to buy out Polish landowners and plant in their stead German colonists. Hitherto the Prussian Poles have felt that insurrection would simply make their position worse. But such an offer as is now held out to them they are very likely to accept. The Austrian Poles differ from their kinsmen both in Russia and in Prussia, inasmuch as they have been fairly well treated by their rulers, and, in consequence, are more loyal to those rulers than are the people either of Russian or of Prussian Poland to their respective Governments. But if the Russian offer is accepted by the other two branches of the Polish community it is hardly likely that the Austrian branch will hold aloof, the more particularly as all the other Slav nationalities in the Dual Monarchy are dissatisfied with their position and are likely to be encouraged by Russia to declare war against their Sovereign. The manifesto, then, is the most important incident in the war so far, and seems likely to embitter it as well as to prolong it. As the Russian Government bids thus openly for Polish support, it is very likely to encourage a rising in other Slav States within Austria-Hungary. While the probability is great that if the Servians are able to hold their own against Austria-Hungary the other Balkan Slav States will throw in their lot with Russia as soon as the Russian Army is in a position to take the field in great force.

The German Chancellor, in the historic conversation with the British Ambassador, made it clear that Germany had entered upon the war for the purpose of not only so weakening France that she would give up the hope of recovering Alsace-Lorraine, but also for the acquisition of the great French colonial empire. France, then, has clear notice that if Germany wins she will be deprived of the great empire which she has built up with so much energy and at such heavy cost during a long space of time, and in Europe will be reduced to impotence. Therefore, it is clear that both France and Germany enter upon the conflict with the knowledge that whichever of them is utterly beaten will practically lose the position of a Great Power. France, robbed of all her colonies, with Germany close to her in Europe, and in possession, likewise, just across the Mediterranean, of Algeria and Morocco, would be utterly helpless—would be a mere tool in the hands of Germany. The French people, then, have every motive for putting forward their whole strength and for fighting with determination to the very last moment. Equally, Germany has notice that if she is unable to withstand Russia she will lose all her Polish provinces to Russia and Alsace-Lorraine to France;

Outlook for Austria- Hungary.

while it is probable that she will have to cede back to Denmark the Danish Duchies. It is indisputable, then, that the Germans will fight to the bitter end rather than submit to such a fate; and, consequently, that the war will be prolonged more than people had expected before the Russian manifesto. Had Russia not made the bid for Polish support it is possible that she might have been contented to make peace, provided France was safeguarded. But it is very unlikely that Germany will even offer to make peace as long as she is threatened with dismemberment. Unless, therefore, victory in a decisive form declares for one or other of the combatants early the war will last until most of those engaged in it are exhausted. Austria-Hungary, if we may judge from what is known up to the present, is most likely to be exhausted first. We say so not only because the finances are in a disordered condition, but because Austria-Hungary chose the moment at which to strike at Servia, and yet has even now apparently made no progress towards the

occupation of the little kingdom. Furthermore, as we showed a few weeks ago, the majority of the Austro-Hungarian population is Slav, while the two ruling races are not only in a marked inferiority, but are not very friendly one to the other. Austria may, of course, find a great general, and thus may surprise all the world. If she does not she is manifestly fighting at a great disadvantage. Because of her poverty she has not been able to make full preparation for the great war she so wantonly and so lightly began. Moreover, the Serbs everywhere are bitterly hostile to her, and the Croats are not less so. Consequently, nobody would be surprised if she was unable to make a very determined resistance against the Russians. If, indeed, the Balkan States, seeing the critical position in which she is, joins Russia, she will be in an extremely dangerous predicament. As the outlook concerning her is so uncertain—as it is impossible to judge, for example, whether the Slavs generally will or will not rise—it is out of the question to calculate what force she can put in the field. The probability, however, seems to be that she will be able to give but little assistance to Germany.

France and Germany are believed to be able to call up about equal numbers of men—four millions each. But France, if she relies only upon her own population, cannot add materially to that number. Indeed, considering what her population is, four millions is an enormous proportion. It is, roughly, 10 per cent. of her entire population. It is to be recollected, however, that France has a very large colonial empire, and that she can draw to a considerable extent upon these. While, of course, it is not to be forgotten that our own country and Belgium are assisting her. Probably, therefore, France, if really pushed hard, might call together $4\frac{1}{2}$ millions of men. If Germany were to call out the same proportion of her population as France proposes to do she would be able to make use of about $6\frac{1}{2}$ millions. It is true that in Germany the liability to serve with the colours is only for two years, and, therefore, that as large a proportion of the male population is not actually trained as in France. For all that, there can be no serious doubt that if Germany has to put her back to the wall every man capable of bearing arms will turn out, and she will offer a most desperate resistance. Germany alone, then, could, if she drew to the same extent upon her population, put in the field larger forces than France. On the other hand, France has more numerous allies, and has a large colonial empire. The Russian war strength is usually said to be four millions, the same as in the case of Germany and France. But as the population of Russia immensely exceeds that of Germany it is clear that she could go on raising and training new armies long after Germany was exhausted. If, indeed, Russia drew upon her male population of fighting age in the same proportion as France does she could raise an almost fabulous force. Whether she could feed such a force or utilise it we need not too curiously inquire. Still, it is doubtless true that Russia could arm at least six millions of men, and probably even eight millions. It will be seen, therefore, that the resources of Germany, France, and Russia are so great that they will not very early be exhausted; but that the fighting male population of France would have to give way first; then that of Germany; and last that of Russia. Provided the British fleet maintains command of the sea, as we all hope and believe it will, the British Empire is not in danger, like those others, of actual exhaustion. The Expeditionary Force prepared by Lord Haldane has been mobilised and put in the field in a surprisingly short time, showing that every statement made by Lord Haldane has been proved to be correct. So far as the world knows there has not been a hitch in any particular. Lord Kitchener has called for an additional army of half a million of men, 100,000 being raised at the moment, and the enlistment for this latter force

Protraction of the Struggle.

has been extraordinarily promising. Over and above these, the Territorial Force is mobilised. A portion of it is to be retained at home; another portion, consisting of those willing to volunteer for foreign service, will be sent abroad. It is evident, therefore, that in the course of six months or a year the United Kingdom will have a fully organised and trained army immensely superior to anything that anybody ventured to hope for a little while ago, and all raised voluntarily. In addition to this great force, the self-governing Dominions and Commonwealths beyond sea are sending us large contingents. The Indian Princes are offering all their armies. The native Indian troops are eager to show their loyalty. And we have in various parts of the Empire a reserve of men to draw upon which would enable us to double all the forces that will probably be under arms before the end of the year. If we retain command of the sea all these forces can be employed wherever they are required, trade can go on as in peace time, and, therefore, there is little danger of our exhaustion. We take from the military correspondent of the *Times* the following summary of our actual force at the moment:—"We have 330,000 Regulars, 300,000 Territorials, 70,000 Special Reserve, 200,000 National Reserve, and 100,000, nearly, of recruits for the New Army. There are a million men of good will to draw upon, and with every day that passes we are better able to preserve our homes inviolate." Clearly, then, the British Empire will grow stronger the longer the war is continued.

THE JAPANESE ULTIMATUM.

EVERY day that passes seems to confirm the inferences we drew last week and the week before respecting the miscalculations of the Kaiser and his advisers, and their total misconception of the feelings excited by Germany throughout the world. Evidently they not only believed that their own army was as efficient and as well prepared as when it entered upon the war of 1870, but likewise that the bullying, the hectoring, and the bragging in which they had so habitually indulged for a quarter of a century and more, had not disgusted, alarmed, and alienated all their neighbours. They assumed that the United Kingdom could be induced to desert France and to prove false to Belgium; that the Belgians would make no serious opposition to the invaders of their country; and that, as England herself remained neutral, her allies would not interfere; while they clearly underrated the preparedness of Russia, and utterly misunderstood the character of the Tsar and his Ministers. With regard to the latter, the manifesto to the Poles must by this time have thoroughly undeceived them; while the ultimatum addressed to them by Japan must have gone far to convince them that German aggressiveness have aroused animosity to the ends of the earth. The official announcement of that ultimatum tells us that Japan before moving had come to an understanding with our own Government, and had learned from the United States that it would not object to the action of Japan provided Kiao-Chau is restored to China. Apparently, then, Japan is preparing only to expel the Germans from China, to ensure the integrity of that great country, and to protect the Far East from German violence. To-morrow night the date fixed by the ultimatum for the answer of Germany will expire, and as it is hardly likely that Germany will condescend to answer, we may hear at any moment that Kiao-Chau has passed out of her possession. Thus the endeavour to wring her colonies from France is leading at a very early date to the loss of a great German colony. We may expect at any moment to hear that the other German possessions in the Far East fall one after the other. The Australians have long looked with disfavour upon the near neighbourhood of the Germans. They will hardly let the present opportunity pass without clearing all the contiguous countries of the enemy. Furthermore, it is reasonable

to anticipate that South Africa will take measures to drive the Germans out of German South-West Africa. While it is to be presumed that an Indian force will be sent to take possession of German East Africa. It is not at all probable, unless Germany is able to do very much better in the course of the war than she has done at its beginning, when she chose her own time for the spring, that she will be able to get back these colonies. German East Africa cuts across the route of the Cape to Cairo Railway. It is, therefore, a great inconvenience; and once the Germans are ousted from it, it is not likely that they will be readmitted. They may, indeed, get compensation elsewhere; but that they will be restored to a position in which they could interfere with the safe running of the railway is improbable. The Australians and the South Africans, in their turn, will not be disposed, we may assume, to have near them a neighbour so aggressive. Thus it seems not at all improbable that before long Germany, which has been so eager for a place in the sun, may find herself dispossessed of all her colonies. It is possible, of course, that she may be able to make a better fight than now seems probable. If she can find a Frederick the Great, that is a contingency not to be forgotten. Frederick in his day made head against enemies apparently as overwhelmingly superior in might as modern Germany has to face. But in his time Russia did not long continue hostile. A lucky change of sovereigns saved him from destruction. And both France and Austria were then utterly misgoverned. At the present time there is no reason to suppose that Russia will draw back from the contest into which she has entered. She took up the gauntlet because Serbia was attacked by Austria-Hungary. In doing so she announced that she was prepared to champion the general Slav cause. And it will be not a little surprising if the small Balkan States do not rally round her. There have been already rumours of a revolution in Bulgaria. If the rumours turn out to be a forecast of what is about to occur, the policy of that State may be very different from what it was in the recent Balkan struggle. And if Serbia, Bulgaria, and Greece are prepared to follow Russia, it is not likely that Roumania can hold back very long. If, then, the Balkan States were to throw themselves upon Austria-Hungary, and the Slavs in that Empire were to rise, Russia might be in a position to direct almost her entire force against Germany, and thus to deflect from France the attack which is now being pushed on. In any event, the inability of Austria-Hungary during the four weeks that have passed since the ultimatum to Serbia to occupy that little kingdom seems to show that, however brave the soldiers are, the military chiefs of the Dual Monarchy are not very skilful.

GERMAN FOREIGN TRADE.

THE action of the Government in urging British merchants to secure for themselves as much of the sea-borne trade of Germany as they can is deserving of all commendation. Some of our daily contemporaries are describing the act as a war upon German trade. We feel sure that Ministers are not actuated by a desire to impoverish Germany; and we are very confident that the British people has no wish to do so. The mere outbreak of war between the British and the German Empires necessarily leads to the suspension of the German sea-borne trade; unless, indeed, the German Fleet is able to wrest the command of the sea from the British. So long as Britain retains sea supremacy it is a necessary consequence that the sea-borne trade of Germany should be stopped. That, in fact, necessarily implies, of course, that Germany is, and will be, impoverished to the extent of the trade temporarily cut off. It is manifest to every thinking person that the sudden stoppage of so great a trade as that conducted by Germany with her enemies and with neutral nations across the ocean must, as a matter of course, impoverish the people who lose the

trade. To that extent impoverishment must, of course, result. But we take it that the object of the Government is not so much to impoverish the enemy as to make up for the falling off in British trade caused by the loss of the trade with Germany. If Germany cannot buy from the neutral nations she will have to go without much that her people have been accustomed to, except so far as the things required can be obtained through Holland, Switzerland, Italy, and so on. Moreover, as all trade between Germany and ourselves is stopped while war continues, British traders of all classes lose so much trade. Therefore, it is right on the part of the Government to do what it can to enable British traders to increase their trade, say, with the neutral nations, and more particularly with the United States, as far as is possible. The neutral nations, and especially the United States, will, as a matter of course, take up much of the trade lost by Germany. But a portion of it can be secured by our traders if they take the proper measures. Looking at the matter from the point of view of the neutral nations, it is obvious that they will suffer so long as the war lasts if some nation, or nations, do not take up the work that has been dropped by Germany. South America, for example, sells to Germany much produce. So does the United States. And so do many other countries. If nobody steps in to buy what Germany cannot import, then all those countries will experience loss to the extent of the trade Germany has to abandon. It follows that the action suggested by our Government will be as beneficial to the neutral nations as it will be to our own people. The neutral nations, if they can sell as much to the United Kingdom as they formerly sold to Germany, will not suffer. Whereas if nobody takes up the work dropped by Germany they will suffer seriously. No doubt other countries like the United States will obtain part of the German trade. But the business of our Government is not to consider what neutral nations can do, but to assist our own people to benefit themselves, and at the same time to benefit the neutral nations with whom they do a very considerable business already. Lastly, the work set on foot by the Government will in the long run benefit Germany. So long as the war lasts and she is unable to wrest the command of the sea from the British Fleet her sea-borne trade will have to be given up, and she will have to depend for imports from countries overseas upon neutral neighbours. Moreover, as an immense number of men—millions, in fact—are called up, and are engaged either in fighting or in performing services of some kind for those who are fighting, Germany will not be in a position to produce much. The great majority of her vigorous male population between, say, 18 and 45 will have been diverted from productive to destructive industry. But if the flower of the male population is thus taken away from industry Germany will not be in a position either to sell or to buy on a considerable scale. The action, consequently, of our Government cannot seriously injure Germany, since the mere clearing of German shipping from the sea effects that. But it is manifest that if Germany is impoverished by the war, the multitudes of men taken from industry, and the incapability of the old men, the boys, and the women to make up for the flower of the manhood of the country, surely it follows that it will be serviceable to Germany that the whole world's trade is stimulated by countries like England stepping in to buy from, and sell to, the former customers of Germany.

THE EFFECT OF THE WAR ON THE WORLD'S TRADE.

THE leading maritime nations may be likened unto huge octopuses, with tremendous tentacles reaching out to grab trade in all parts of the world. Great Britain, the United States, Germany, and France are the largest octopuses of this description, while other countries are of a more or less smaller kind. All the octopus nations thrive according to the amount

of trade they carry on with each other all over the world. At the present time six of the largest octopus nations are at deadly war with each other, and the trade tentacles of two of them—Germany, a very large one, and Austria a smaller kind—are completely cut off, while the other fighting octopuses have their trade tentacles injured to a greater or less extent, the least affected being the United Kingdom. Five of the great nations at war with each other in normal times carry on an enormous aggregate trade with each other and the rest of the world, but each one of them purchases from the world goods greatly exceeding in value the goods they sell to other countries. In other words, their imports are much larger than their exports. The irresistible conclusion is that the great war now raging on the Continent will have a serious effect on the trade not merely of the nations involved, but of the whole world. For the time being there will be feverish activity in trades and industries supplying army and navy requirements, and temporarily also other countries may be able to sell goods hitherto obtained by the world from Germany; but the aftermath of the war can only be trade inactivity all over the world, the greatest sufferers naturally being the countries that are defeated. The principal belligerents are the richest and most powerful countries in the world. They buy produce, foodstuffs, and raw material from, and sell their manufactured goods to, every quarter of the globe, and a little reflection will convince everyone that the great lessening of their purchasing power that must inevitably ensue will leave a deep mark on the prosperity of every country, no matter how far removed from the scene of hostilities. In the past decade the prosperity of the United Kingdom, France, Germany, and little Belgium, too, has increased enormously, and these nations have in consequence become exceptionally large markets for the world's products, in part exchange for which they have supplied cotton and woollen goods, iron and steel manufactures, and many other articles of commerce required by the younger food and raw material producing countries. The enormous extent of the business transacted with each other and with the rest of the world by the powerful warring nations can be gauged from the figures of their foreign trade as shown by the totals of their imports and exports set out in the table given below. The returns, which cover the year 1912 in the absence of any later information in regard to all the countries, are not compiled on exactly the same basis, but the difference is not material when merely considering the magnitude of the volume of trade:—

		(000's omitted).		*Excess of—	
		Imports.	Exports.	Imports.	Exports.
		£	£	£	£
United Kingdom ...	...	744,641	487,223	257,418	—
France ...	...	329,232	268,504	50,728	—
Russia (excluding					
Finland) ...	...	123,637	160,318	—	36,681
Belgium ...	...	193,320	158,059	40,261	—
Total Entente Powers		1,385,830	1,174,104	311,736	—
German Empire ...	...	525,661	440,376	85,285	—
Austria ...	...	148,200	113,911	34,289	—
Total Alliance Powers		673,861	554,287	119,574	—
Grand Total ...		2,059,741	1,728,391	331,310	—

* No deduction made for re-exports.

It will be seen that even in 1912—and in 1913 the volume of trade was larger—the value of the imports of the belligerent nations in the aggregate exceeded £2,000,000,000, while the value of their exports reached nearly £1,700,000,000, so that the value of the imports exceeded the value of the exports by over £300,000,000. Another important point to be noted is that the volume of the trade of the Entente Powers is about double that of Germany and Austria.

Having thus shown the immensity of the trade interests now flung into the melting-pot at the instance

of Germany, we may proceed to show what proportion of the foreign trade of the belligerents is carried on between themselves and what proportion with the rest of the world. This is set out in the following table:—

It is obvious that the bulk of the huge volume of trade shown in the tables has been completely disorganised. In the case of Germany and Austria business is practically stopped; while in respect of France

	Trade with all the Direct Belligerent Countries			Trade with all Other Countries (including Colonies & Possessions of Belligerents)		
	Imports £	Exports £	Excess £	Imports £	Exports £	Excess £
United Kingdom	186,724,000	108,823,000	79,901,000(I)	557,917,000	380,400,000	177,517,000 (I)
(Excluding Germany & Austria)	(109,857,000)	(61,517,000)	48,140,000 (I)			
France	125,086,000	127,510,000	2,424,000(E)	204,146,000	130,994,000	73,152,000 (I)
Russia	77,157,000	101,213,000	24,056,000(E)	46,530,000	59,105,000	13,375,000(E)
Belgium	98,125,000	99,361,000	3,236,000(E)	102,195,000	58,698,000	43,497,000 (I)
Total Entente Powers	485,092,000	434,907,000	50,185,000(I)	910,788,000	629,197,000	281,591,000 (I)
German Empire	203,830,000	207,100,000	1,730,000(I)	316,871,000	233,276,000	83,595,000 (I)
Austria	85,667,000	69,669,000	15,998,000(I)	62,533,000	44,242,000	18,291,000 (I)
Total Alliance Powers	294,497,000	276,769,000	17,718,000(I)	379,404,000	277,518,000	101,886,000 (I)
Grand Total	779,589,000	711,676,000	67,903,000(I)	1,290,192,000	906,715,000	383,477,000 (I)
	(I) = Imports.			(E) = Exports.		

It will be perceived that the United Kingdom's trade with other than direct belligerent countries is of enormous volume, and hugely exceeds the volume of her foreign trade with the direct belligerent countries. Germany's trade with the direct belligerent nations is more than half as large again as the United Kingdom's, but her trade with other countries is but little more than half as large as that of the United Kingdom. Thus Germany's loss of Continental trade is far greater than the United Kingdom's. Another point is that while the Entente Powers in 1912 purchased from other than direct belligerent countries goods of a value of about £281,500,000 in excess of goods sold, the two Alliance Powers on balance purchased goods of a value of about £102,000.

As to the volume of trade carried on by individual countries with the warring nations, the United States takes first place. The direct belligerent countries in 1912 imported on balance United States goods value £197,000,000 in excess of the value of their own exports to the States, the United Kingdom accounting for as much as £104,000,000 and Germany for £34,000,000 of the total. Of Australasian produce the direct belligerents in 1912 imported on balance goods of a value of £36,000,000 in excess of the value of their exports to Australasia; for India the corresponding figure was about £50,000,000, and Argentina £44,000,000. As to other countries, the across-page statement herewith shows their trade with the direct belligerent nations for 1912.

and Belgium, with practically every able-bodied man fighting for his country, it is plain that factories must be shut down and nearly all productive work brought to a standstill. The same remarks apply to Russia, though probably to a less extent. In regard to the United Kingdom it is greatly different, at any rate for the time being. We have complete control of the sea, our ships can pass backwards and forwards, and it may be that in the immediate future we shall be able to share with the United States a large proportion of the world's trade that in the past has gone to Germany and other Continental countries. But how long will the recent big demand for goods for the rest of the world be maintained? With money now being wasted on a vast scale for unproductive purposes it requires little imagination to see that the consequent withholding of capital from the younger and developing countries, and the withdrawal to a great extent of the hitherto large European markets for their products, must inevitably heavily react on the ability of all nations to purchase the goods of their neighbours. Immediately after the war goods and manufactures may be in demand for the victorious countries who receive huge indemnities, wherewith they are able to replace damage and depreciation caused by the war. But the reduction to poverty of the losing nations, and the waste of wealth and consequent diminution of purchasing power all round, cannot but adversely affect for a long time the prosperity of the whole world.

Trade of Direct Belligerent Nations with other Countries in 1912.*

	Countries of Origin and Destination										
	United States £	Canada £	Australasia £	South Africa £	India £	Argentina £	Brazil £	China £	Japan £	Other Non-Belligerent Countries £	
United Kingdom:											
Imports ...	134,579,000	26,881,000	56,414,000	11,412,000	52,149,000	40,808,000	9,360,000	4,933,000	3,933,000	217,448,000	
Exports ...	30,066,000	23,631,000	45,241,000	22,287,000	57,626,000	20,550,000	12,658,000	10,780,000	12,229,000	145,432,000	
Excess ...	104,513,000 (I)	3,350,000 (I)	11,173,000 (I)	10,875,000 (E)	5,477,000 (E)	20,258,000 (I)	3,298,000(E)	5,747,000(E)	8,296,000(E)	72,016,000 (I)	
France:											
Imports ...	35,612,000	385,000	10,492,000	2,053,000	14,237,000	13,339,000	7,918,000	8,713,000	4,145,000	107,250,000	
Exports ...	17,254,000	1,180,000	507,000	498,000	1,350,000	7,747,000	3,533,000	586,000	600,000	97,755,000	
Excess ...	18,358,000 (I)	775,000(E)	9,985,000 (I)	1,555,000 (I)	12,887,000 (I)	5,592,000 (I)	4,385,000 (I)	8,127,000 (I)	3,545,000 (I)	9,495,000 (I)	
Russia†:											
Imports ...	8,743,000	—	—	—	2,984,000	—	—	7,825,000	—	27,178,000	
Exports ...	1,807,000	—	—	—	8,000	—	—	3,688,000	—	53,704,000	
Excess ...	6,936,000 (I)	—	—	—	2,978,000 (I)	—	—	4,137,000 (I)	—	26,526,000 (E)	
Belgium:											
Imports ...	16,553,000	1,143,000	6,587,000	960,000	9,982,000	12,221,000	1,978,000	1,630,000	1,138,000	50,905,000	
Exports ...	5,805,000	765,000	1,221,000	666,000	1,795,000	3,706,000	3,582,000	1,377,000	1,405,000	38,376,000	
Excess ...	10,748,000 (I)	378,000 (I)	5,366,000 (I)	294,000 (I)	8,187,000 (I)	8,515,000 (I)	1,604,000(E)	253,000 (I)	267,000(E)	12,527,000 (I)	
German Empire:											
Imports ...	79,300,000	2,900,000	14,570,000	3,360,000	29,870,000	22,245,000	15,660,000	5,740,000	2,655,000	140,571,000	
Exports ...	34,780,000	2,715,000	4,850,000	2,225,000	6,280,000	11,970,000	9,640,000	4,385,000	5,530,000	150,901,000	
Excess ...	34,520,000 (I)	185,000 (I)	9,720,000 (I)	1,135,000 (I)	23,590,000 (I)	10,275,000 (I)	6,020,000 (I)	1,355,000 (I)	2,875,000(E)	10,330,000 (E)	
Austria-Hungary:											
Imports ...	14,524,000	—	—	—	8,305,000	—	3,333,000	—	348,000	36,023,000	
Exports ...	2,662,000	—	—	—	3,020,000	—	575,000	—	481,000	37,504,000	
Excess ...	11,862,000 (I)	—	—	—	5,285,000 (I)	—	2,758,000 (I)	—	133,000(E)	1,481,000 (E)	
Totals:											
Imports ...	289,311,000	31,309,000	88,063,000	17,785,000	117,527,000	88,613,000	38,249,000	28,641,000	12,219,000	579,373,000	
Exports ...	92,374,000	28,638,000	51,819,000	25,676,000	70,077,000	43,973,000	29,988,000	20,816,000	20,245,000	523,672,000	
Excess ...	196,937,000 (I)	2,621,000 (I)	36,244,000 (I)	7,891,000 (E)	47,450,000 (I)	44,640,000 (I)	8,261,000 (I)	7,825,000 (I)	8,026,000 (E)	55,701,000 (I)	
	(I) Imports.	(E) Exports.	* Colonies and possessions of belligerent nations included in non-belligerent countries.							† Excluding Finland.	

(I) Imports. (E) Exports.

* Colonies and possessions of belligerent nations included in non-belligerent countries.

† Excluding Finland.

LEADING CONTINENTAL BANKS.

POSITION PRIOR TO THE WAR.

THE position of the leading European banks, including State institutions, was given in the Banking Section of THE STATIST of May 23, 1914, and their history and progress therein set out. We have recasted from the tables we then gave detail of the position according to the last annual balance sheets, and also, as to the cash—coin and bullion—the amounts held at such date and at most recent date. We present balance sheets below in abbreviated form of the leading National Banks of the principal European countries. For uniformity we have converted the currency of each country into sterling at the nominal rates of 25 francs, lire, or pesetas, 24 krone or krona, 12 gulden, 20 marks, or 10 roubles to the £.

It will, of course, be appreciated that the figures given will be hugely modified as an outcome of the war, but those of the recent past are of great interest in present circumstances.

FRANCE (BANQUE DE FRANCE).

Capital Authorised, Subscribed, and Paid up, in 182,500 Shares of 1,000 Frs. each, £7,300,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, 1913	7,300,000	2.6	Cash	166,208,185	66.5
Reserve	1,700,774	6	Investments	16,718,342	6.0
Notes in circulation	228,542,052	81.6	Bills discounted	61,058,479	21.8
Government deposits	16,134,356	5.8	Advances	33,674,025	12.1
Other deposits	24,183,694	8.6	Bank premises, &c.	1,769,209	0.6
Unappropriated profit	1,057,364	0.6			
Total	279,518,240		Total	279,518,240	

	£	% of Total		£	% of Total
*1913, Dec. 26	140,695,680	84.6	Gold	25,602,520	15.4
1914, July 30	165,654,000	88.9	Silver	25,013,000	13.1
			Total	166,298,200	
				190,667,000	

RUSSIA (BANQUE DE L'ETAT).

Capital Subscribed and Paid up (all of which is Owned by the Russian Government), Rbls. 55,000,000 = £5,805,362.

	£	% of Total		£	% of Total
Capital, Apr. 21, '14	5,805,362	1.5	Cash	191,795,315	65.1
Notes in circulation	176,110,807	58.9	Investments	9,703,806	3.2
Treasury account	47,050,939	15.7	Loans at call and at short notice	43,247,470	14.5
Deposits, current accounts, &c.	68,138,931	22.8	Loans, advances, &c.	39,002,885	13.1
Sundry	1,878,675	7	Branches, &c.	1,254,988	4
			Sundry	10,920,283	3.7
Total	298,984,714		Total	298,984,714	

	£	% of Total		£	% of Total
*1914, April 8	187,770,660	96.4	Gold	7,031,148	3.6
1914, Aug. 5	171,808,000	98.2	Silver	6,859,000	3.8
			Total	104,801,608	
				178,667,000	

BELGIUM (BANQUE NATIONALE DE BELGIQUE).

Capital Subscribed and Paid up (No Liability), in 50,000 Shares of 1,000 Frs., £2,000,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, 1913	2,000,000	3.8	Cash in hand, &c.	12,423,374	23.5
Reserve	1,671,232	3.1	Foreign bills	6,664,988	12.7
Notes in circulation	42,696,280	80.9	Investments	4,463,272	8.6
Deposits, current accounts, &c.	4,971,523	9.4	Bills	25,070,392	48.8
Dividends payable, &c.	1,467,944	2.8	Advances	2,457,968	4.7
			Bank premises, &c.	1,117,935	2.1
Total	52,806,979		Total	52,806,979	

	£	% of Total		£	% of Total
*1913, Dec. 31	9,961,000	81.3	Gold	2,294,000	18.7
1914, Aug. 6	10,977,000	84.5	Silver	633,000	5.6
			Total	12,255,000	
				11,610,000	

* Includes coin and bullion, bills due to day, and coupons paid before due date.

GERMANY (IMPERIAL BANK) (REICHSBANK).

Subscribed and Paid up, in Fully-paid Shares of 3,000 Marks and 1,000 Marks (No Liability), M. 180,000,000 = £9,000,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, '13	9,000,000	4.8	Cash	75,288,511	40.7
Reserve	4,046,418	2.2	Investments	20,177,700	10.9
Notes in circulation	129,680,803	70.0	Bills	75,379,063	40.7
Current accounts and deposits	39,693,628	21.5	Advances	4,723,640	2.6
Sundry	755,754	0.4	Current accounts	3,406,183	1.8
Unappropriated profit	1,994,779	1.1	Bank premises, &c.	6,196,283	3.3
Total	185,171,382		Total	185,171,382	

	£	% of Total		£	% of Total
*1913, Dec. 31	58,498,550	80.9	Gold	13,841,600	19.1
1914, July 23	67,843,000	80.2	Silver	16,727,000	19.8
			Total	72,340,150	
				84,370,000	

AUSTRIA (OESTERREICHISCH-UNGARISCHEN) or (AUSTRO-HUNGARIAN).

Capital Authorised and Subscribed, 150,000 Shares of Kr. 1,400, Fully Paid, Kr. 210,000,000 = £8,750,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, 1913	8,750,000	6.3	Cash	62,604,897	45.6
Reserve	1,908,163	1.4	Investments	860,445	0.6
Notes in circulation	103,901,713	75.3	Bills discounted	41,093,242	29.8
Mortgage bonds in circulation	12,139,542	8.8	Debt of the State	2,600,000	1.8
Current accounts, &c.	10,729,513	7.6	Mortgages	12,455,221	8.9
Unappropriated profits	631,936	0.4	Other advances	12,942,450	9.6
			Sundry	3,622,996	2.6
			Bank premises, &c.	1,951,600	1.4
Total	138,060,871		Total	138,060,871	

	£	% of Total		£	% of Total
*1913, Dec. 31	51,666,000	82.7	Gold	10,784,000	17.3
1914, Aug. 23	51,378,000	80.9	Silver	12,141,000	19.1
			Total	62,450,000	
				63,719,000	

ITALY (BANCA D'ITALIA).

Capital Subscribed, Lire 240,000,000; Paid up, Lire 600 per Share = Lire 180,000,000 = £7,200,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, 1913	7,200,000	7.2	Cash	48,536,375	49.0
Reserve	2,401,017	2.5	Investments	8,746,026	8.2
Notes in circulation	70,577,332	71.0	Bills	23,148,158	23.3
Treasury account	6,353,238	6.4	Advances, &c.	8,323,780	8.3
Current accounts, deposits, &c.	7,534,534	7.6	Sundry	9,505,486	9.8
Sundry	4,474,819	4.5	Bank premises, &c.	1,070,271	1.0
Unappropriated profit	789,150	0.8			
Total	99,330,096		Total	99,330,096	

	£	% of Total		£	% of Total
*1913, Dec. 31	44,305,320	92.1	Gold	3,784,280	7.9
1914, July 10	—	—	Silver	—	—
			Total	48,089,600	
				48,200,000	

HOLLAND (NEDERLANDSCHE BANK).

Capital Authorised, in Shares of Fl. 1,000, Fl. 500, Fl. 250, and Fl. 125, all Fully Paid, Fl. 20,000,000 = £1,666,667.

	£	% of Total		£	% of Total
Capital, Mar. 31, '14	1,666,667	6.7	Cash	14,150,341	48.3
Reserve	416,920	1.4	Investments	750,174	2.6
Notes in circulation	26,071,385	88.9	Bills discounted	6,219,931	21.2
Deposits, current accounts, &c.	904,419	3.1	Advances	5,637,986	19.2
Sundry	26,068	0.1	Current accounts	2,270,655	7.8
Unappropriated profit	225,339	0.8	Correspondents	92,614	0.3
			Bank premises, &c.	189,697	0.6
Total	29,311,398		Total	29,311,398	

	£	% of Total		£	% of Total
*1913, Dec. 31	12,624,000	64.4	Gold	751,000	5.6
1914, Aug. 8	13,499,000	69.6	Silver	53,000	0.4
			Total	13,375,000	
				13,552,000	

SWITZERLAND (BANQUE NATIONALE SUISSE).

Capital Subscribed, 50,000 Shares of 1,000 Frs. each; Paid up, 500 Frs. per Share = 25,000,000 Frs. = £1,000,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, 1913	1,000,000	6.2	Cash	7,962,488	47.3
Reserve	45,877	0.3	Investments	235,097	1.6
Notes in circulation	12,652,852	77.5	Bills	5,878,638	36.3
Bills	53,604	0.4	Advances	1,135,400	7.0
Deposits	1,296,920	8.0	Correspondents	849,600	5.2
Current accounts, &c.	1,097,193	6.8	Sundry	138,226	0.8
Pension fund	8,400	—	Bank premises, &c.	274,680	1.7
Unappropriated profit	139,483	0.8			
Total	16,164,329		Total	16,164,329	

	£	% of Total		£	% of Total
*1913, Dec. 31	6,798,219	89.8	Gold	833,449	10.2
1914, Aug. 7	8,034,000	96.8	Silver	267,000	3.2
			Total	7,631,660	
				8,301,000	

SWEDEN (SVERIGES RIKSBANK).

Capital (all Owned by the State), Kr. 50,000,000 = £2,777,778.

	£	% of Total		£	% of Total
Capital, Dec. 13, '13	2,777,778	11.7	Cash	5,963,087	24.9
Reserve	694,444	2.8	Investments	1,716,716	7.2
Notes in circulation	13,026,199	64.5	Bills	12,616,087	62.8
Deposits, &c.	6,525,830	27.3	Current accounts	2,308,390	9.6
Unappropriated profit	881,100	3.7	Advances, &c.	1,304,891	5.5
Total	23,905,371		Total	23,905,371	

	£	% of Total		£	% of Total
*Gold	—	—	Dec. 27, 1913	5,672,000	
			Aug. 8, 1914	5,723,000	

NORWAY (NORGES BANK).

Capital Authorised and Paid up, in Shares of Kr. 10,000,
Kr. 1,000, Kr. 500, Kr. 100, and Kr. 50, Kr. 25,000,000 =
£1,388,889.

	£	% of Total		£	% of Total
Capital, Dec. 31, '13	1,388,889	15.0	*Cash ...	4,122,353	44.4
Reserve ...	756,064	8.1	Investments ...	490,169	5.3
Notes in circulation	5,978,448	64.3	Advance on securities	426,993	4.5
Deposits ...	699,000	7.5	Bills & advances on bills	3,820,936	41.0
Sundry ...	282,139	3.0	Sundry ...	439,669	4.7
Unappropriated profit ...	195,580	2.1			
Total ...	9,300,120		Total ...	9,300,120	
			Dec. 31, 1913		Aug. 7, 1914
*Gold ...			2,632,000		3,091,000

DENMARK (BANQUE NATIONALE DE COPENHAGUE, DANEMARK).

Capital Subscribed and Paid up, in Shares of Kr. 2,000,
Kr. 1,000, and Kr. 200, Kr. 27,000,000 = £1,500,000.

	£	% of Total		£	% of Total
Capital, March 31, 1914 ...	1,500,000	13.7	*Cash ...	4,437,502	40.6
Reserve ...	456,767	4.2	Investments ...	523,716	4.8
Notes in circulation	8,143,080	74.4	Bills ...	1,243,863	11.4
Deposits ...	205,810	1.9	Loans and advances	1,755,057	16.0
Current accounts...	570,966	5.2	Correspondents & branches	2,522,516	23.0
Sundry ...	63,874	.6	Sundry ...	361,715	3.3
			Bank premises ...	96,128	.9
Total ...	10,910,497		Total ...	10,940,497	

* 1914, July 31. Gold and Silver, £4,352,000.

SPAIN (BANCO DE ESPAÑA).

Capital Subscribed and Paid up, 300,000 Shares of
500 Pesetas = £6,000,000.

	£	% of Total		£	% of Total
Capital, Dec. 31, 1913 ...	6,000,000	4.2	*Cash ...	55,735,051	39.5
Reserve ...	800,000	.6	Investments ...	14,279,446	10.1
Notes in circulation	77,251,340	54.7	Bills ...	19,362,794	13.7
Government deposits ...	5,997,770	4.2	Advances to Treasury	7,707,841	5.5
Other deposits, current accounts, &c.	30,907,160	21.9	Advances, current accounts, &c.	43,608,931	30.6
Sundry ...	19,388,201	13.6	Bank premises, &c.	557,938	.4
Unappropriated profit ...	908,530	.6			
Total ...	141,253,001		Total ...	141,253,001	

	Gold	% of Total	Silver	% of Total	Total
*1913, Dec. 31 ...	25,965,113	43.5	28,651,643	55.5	55,616,756
1914, Aug. 8 ...	21,811,000	43.8	27,937,000	46.2	49,748,000

SOURCE OF SOME FOOD SUPPLIES.

WHEN towards the end of July it became increasingly apparent that war, at all events between two Great European Powers, was imminent a tendency on the part of the public generally in this country to lay in stocks of provisions against still graver eventualities became noticeable. At that time the majority of people still held that this country would not be involved in a general struggle, but, with the increasing gravity of the outlook, these were forced to the conclusion that Great Britain must be dragged in. With the mobilisation of the British forces, large Government orders for provisions had to be immediately satisfied. This, coupled with the action of many selfish and unthinking members of the community, caused for a few days a rapid rise in the prices of provisions of non-perishable character which are in everyday use. After satisfaction of urgent Government orders and the partial satisfaction of the large demands on the part of the public prices showed a tendency to react. It became rapidly recognised that there was enough and to spare in stock or in sight.

In view of the present position it is interesting and instructive to survey the origin and value of many of the goods falling under the general head of "provisions."

The supply of frozen and chilled meat to this country is chiefly drawn from the River Plate and Australia and New Zealand. The figures for the year

1913, taken from the Board of Trade returns, are as under:—

Frozen and Chilled, &c., Meat.

Year 1913	Value £
From River Plate, beef ...	13,465,754
" " mutton ...	2,197,048
" Australia and New Zealand, beef ...	2,527,380
" " " mutton ...	8,093,749
" Holland, pork ...	1,263,674
" United States, salted and canned ...	508,281
" River Plate, " ...	1,677,116
" Australia and New Zealand, salted and canned ...	1,191,991
	30,929,993

Of the total of over 30 millions' value of meat some is re-exported, but the bulk is consumed in this country. The consumption of Germany is negligible, there being a heavy import-duty, and the only imports of frozen meat into that country are on behalf of the large steamship companies for victualling purposes, upon which no duty is charged. In Austria-Hungary the importation of frozen meat is prohibited. The Continental demand is very small, but what quantity has been hitherto sent will be cut off and, *pro tanto*, to such small extent our own supply, with our command of the sea, will be increased.

Another heavy item of the food bill takes the form of bacon and hams. The total of imports into this country approximates £19 millions, made up as below:—

Bacon and Hams.

Year 1913	£
From Denmark ...	8,865,670
" United States ...	8,838,324
" Canada ...	1,199,834
	18,903,828

Both Germany and Austria apparently rely on their internal sources of supply for these products.

In the case of butter, Germany is dependent to a considerable extent on outside supplies, as the table below shows:—

Year 1913	To United Kingdom £	To Germany £
From Russia and Finland...	3,831,366	3,330,800
" Sweden ...	2,047,634	—
" Denmark ...	10,657,589	254,250
" Holland ...	921,738	2,122,300
" France ...	1,505,442	—
" Australia and New Zealand ...	4,562,018	—
	23,525,767	5,767,350

Naturally our supplies from Russia, at all events temporarily, will be cut off, but there seems no reason to suppose that any serious diminution will be witnessed from the other producing countries.

Owing to the fact that the bulk of the supply of palm kernels, ground nuts, and copra is shipped to Germany, where the oil is expressed, we are likely to witness a shortage of *margarine*, as it is from Hamburg and Bremen, the two chief centres of oil-pressing industry, that Holland draws her supply for the manufacture of the finished *margarine* product. However, there are doubtless many oil-pressing firms in this country, in Hull in particular, who could adapt their machinery at short notice to the treatment of the raw product whence the base for *margarine* is obtained.

German supplies of *lard* from the United States, which in 1913 amounted to over 5½ millions sterling, will be in the main diverted to this country.

So far as this country is concerned the bulk of the *cheese* supply is drawn from Colonial sources, and with trade routes uninterrupted there should be no difficulty in securing adequate supplies. Similarly Germany would not suffer much inconvenience under this head, as most of her external supplies are imported from adjoining Continental sources.

Cheese.

Year 1913	£	To Germany	£
From Holland to U. K. ...	760,089	...	1,083,050
" Australia and N. Z. to U. K. ...	1,710,040	"	—
" Canada to U. K. ...	4,038,627	"	—

Eggs, of which the principal source of supply to this country is Russia, would appear to be one of the commodities in which we shall suffer a shortage, although owing to the blockade of German and Austrian ports many of the supplies from the South of Europe will be diverted to the United Kingdom. The values for the past year and principal sources whence drawn are as below:—

				<i>Eggs.</i>	
Year 1913				£	£
From Russia to U. K.	...	...	...	4,745,229	To Germany ... 4,016,450
" Denmark to U. K.	...	...	...	2,296,840	" ... —
" Holland to U. K.	...	...	...	490,717	" ... —
" Austria ...	...	...	...	—	" ... 3,823,450
				<u>7,532,786</u>	<u>7,839,900</u>

The stoppage of the large amounts of *coffee* consumed in Germany and Austria should add to the supplies of the United Kingdom and other countries in Europe, and the diversion of the supplies of the cheaper description destined for Germany may have a serious effect on Brazilian exports.

<i>Coffee.</i>			
Year 1913		£	£
From Central America to U. Kingdom		1,623,016	To Germany 3,075,200
" Brazil to U. Kingdom		793,582	" 7,072,900
" India to U. Kingdom		267,190	" 223,200
		<u>2,688,788</u>	<u>10,371,300</u>

From the British point of view the most serious feature of the provision question centres in *sugar*. The enormous output of Germany and Austria and its cheapness led to the virtual elimination of sources whence we had previously drawn our requirements. The starving out by reckless competition and bounties of the British West Indies, Mauritius, and other previous sources of supply of cane sugar has led to our almost entire dependence on the two Central European States for our needs. In similar manner to other commodities we set out the position below:—

Year 1913							£
From Germany to United Kingdom	...	...	...	...	...	...	10,894,805
17 Austria	"	"	...	...	...	...	4,250,696
11 Holland	"	"	...	...	...	...	2,585,155
17 Belgium	"	"	...	...	...	...	692,433
71 Cuba	"	"	...	...	...	...	2,249,075
79 Mauritius	"	"	...	...	...	...	206,916
1 B. W. Indies and Gtiana to United Kingdom...	...	...	...	...	...	...	686,255
							<u>21,565,105</u>

The cutting-off of supplies of sugar will naturally react on those manufactures in the United Kingdom which use large quantities in their finished product, and will doubtless lead to considerably higher prices for jams and preserves and to a less extent for biscuits.

Taking an impartial survey of the situation as a whole, we see no cause for apprehension on the part of the public that prices will go to a higher level, except in the cases where sugar enters largely into the composition. Eggs doubtless will be scarcer, but not unduly so, and the resource of our manufacturers should be able to overcome the initial difficulties of the crushing of vegetable oil stuffs for the making of margarine.

Provided always that the British Fleet retains command of the seas and therewith our trade routes, it would seem that with the economy that is already being exercised there is, with the three exceptions already mentioned, the outlook rather for a gradual trend to lower prices for provisions than to any appreciable rise. That we shall see fluctuations with the varying phases of the war we do not deny, but we expect that such fluctuations will be of a temporary nature and that no real alarm need be felt as to the adequacy of our supplies.

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Financial Notes.

WE regret to hear that in not a few cases Germans who have been long resident in this country—some of whom, indeed, have become naturalised British subjects—are being subjected by thoughtless people to annoyances which sometimes are exceedingly unpleasant. In one case we have heard of, a gentleman who has been resident for 35 years in this country, is a naturalised Englishman, and strongly sympathises with England—who, indeed, is anything but friendly disposed to Prussian rule—has been warned by the committee of a club to which he belongs not to enter the public room lest he should be subjected to unpleasantness. Such treatment is in the highest degree reprehensible. Every true citizen of the Empire is, of course, bound to do what he can in its service. But he should not insult or ill-treat residents in the country simply because they were born a long time ago in Germany. However strongly they may condemn the action of the German Government, such residents have no means of preventing that action, and most certainly they should not be subjected to annoyances. It is earnestly to be hoped, therefore, that people, while doing what they can to promote the interests of the country, will at the same time keep their patriotic feelings within reasonable and proper bounds, and especially will avoid insulting or ill-treating unoffending persons amongst us.

With a view to enabling banks to maintain the volume of credit available and to supply customers with additional resources, the Canadian Government has empowered the Finance Minister to advance to banks such sums as may be deemed reasonable, to be used by banks specified in the usual course of business. Such advances are authorised upon high-class securities approved by the Minister of Finance, provided that the rate of interest be not less than 5 per cent., and repayment is to be made not later than May 1, 1915. Furthermore, the order provides that advances to the banks will be made by the issue of such an amount of Dominion notes as may be necessary. A Bill of Indemnity sanctioning such steps as may be taken will be introduced. The Bill

will also authorise the chartered banks to make payments in bank-notes instead of in gold or in Dominion notes. The circulation of any bank, however, is not to exceed what is permitted by the Bank Act, but there are provisions for exceptional issues during an emergency. Lastly, the redemption of Dominion notes in gold is to be suspended, and notice is given of a moratorium postponing payment of debts, liabilities, and obligations for such time and on such terms as may be specified by proclamation.

The Bank of France on Thursday reduced its rate of discount from 6 per cent. to 5 per cent. On the same day the Bank of the Netherlands lowered its rate also from 6 per cent. to 5 per cent., and the National Bank of Norway reduced its rate from 6 to 5½ per cent. The action of the Bank of France is evidence that the first effects of the outbreak of war in France have been got over, that the financial situation is strengthening, and that confidence is reviving. France, apparently, is convinced that she will be able not only to maintain her own in the struggle, but that she will succeed in preventing the Germans from entering France itself in any considerable force. If the struggle were to be fought out on French soil it is hardly probable that the Bank would so soon have put down its rate. Apparently, then, the Government and the military authorities have so much confidence in their present position that they feel it safe that every relief should be given to all business interests. We congratulate our Allies on the circumstance, and trust that now that mobilisation is completed, and that the French plan is about to be put into complete operation, they will be justified in doing everything possible to improve and augment trade. As for the action of the Bank of the Netherlands, it is not surprising, since the neutrality of the country is being respected by Germany.

The Japanese Prime Minister in a speech on Wednesday night said: "Japan's object is to eliminate from continental China the root of German influence, which constitutes a constant menace to the peace of the Far East, and thus to secure the aim of the alliance with Great Britain. She harbours no design for territorial aggrandisement and entertains no desire to promote any other selfish end. Japan's warlike operations will not, therefore, extend beyond the limits necessary for the attainment of that object and for the defence of her own legitimate interests. Accordingly, the Imperial Government has no hesitation in announcing to the world that it will take no action such as to give to the Powers any cause for anxiety or uneasiness regarding the safety of their territories or possessions."

From New York it is reported that the Carranza Government of Mexico has threatened the repudiation of the loan of 12 million sterling of Six per Cent. Mexican Gold bonds taken up by the previous Government. If this were to prove true, it would render valueless the collateral securities which the National Railways of Mexico have offered to their bondholders in payment of the interest due on July 1. Those in the best position to judge, while they do not seriously question the probability that the threat has been made, do not believe that it will be carried into execution, for they point out that if the Carranza Government repudiates the contracts of its predecessor, no person in any part of the world will be willing to advance money to it, for certainly its position is not more assured than was that of the previous Government when the bonds were issued. The Government, therefore, it is argued, will not be so foolish as to utterly destroy its own credit.

DOMINION OF CANADA

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American Topics.

WARNING TO AMERICAN RAILROAD AND CANADIAN PACIFIC SHARE- HOLDERS.

At the close of last week the Board of Trade issued a warning to stockholders of American railroad companies and of the Canadian Pacific Railway advising those who have not had their shares registered in their names to examine their certificates. If the registered holder is then found to be a German or an Austrian or a German or Austrian Company, shareholders should take steps to secure registration in their own names. This advice, the Board of Trade pointed out, applies with special urgency to the shareholders of the Canadian Pacific Railway, as the transfer books of that Company are on the point of being closed for the payment of dividend. A further notice has since been issued by the Board of Trade advising British holders of Canadian Pacific shares registered in German or Austrian names to communicate at once with the London Office of the Company at 8 Waterloo Place, Pall Mall, S.W., with respect to the next dividend on their shares. Arrangements have, however, now been made by the Canadian Pacific Railway for dealing with the matter, as will be evident from the following cable, forwarded to the London Secretary by the President, Sir Thomas Shaughnessy:

With proper form of indemnity and affidavit that they are the owner or his agents, we shall pay the dividend due

October 1 to holders in Great Britain of German certificates duly presented and recorded in our transfer office in London on or before August 28, the owner undertaking to transfer into new names all properly-endorsed certificates when books reopen. Same will apply to Austrian shares.

On subsequent pages we publish the annual report of the Canadian Pacific Railway for the year to June 30 last. We hope to refer to the position of the Company in a future issue.

MISSOURI PACIFIC RAILWAY.

A FURTHER stage in the affairs of the Missouri Pacific Railway has been reached by the appointment of a joint committee to consider the financial re-organisation of the undertaking. Of late the position of the Company has been receiving a good deal of attention, consequent in large measure on the non-acceptance by Messrs. Kuhn, Loeb and Co. of the offer made to them by the Missouri Pacific to make provision for the \$25,000,000 of Five per Cent. Notes which fell due on June 1 last. Steps were, however, subsequently taken by the Company for extending the Notes for a further twelve months at 6 per cent., and it behoves those in charge of the undertaking to provide well in advance for the maturity of these Notes. During the past few years the line has suffered from a number of disturbing influences, all of which have combined to curtail surplus profits after the payment of fixed charges. It is true that for 1912-13 a surplus of about a million and a half dollars was secured, but for the year to June 30, 1914, there has been no surplus. In 1911 and again in 1912 disastrous floods, indeed the worst ever experienced in the history of the Company, occurred along the Mississippi. They greatly damaged the property and interrupted operation. Another unfavourable factor over which the Company has had no control has been the decision of the Supreme Court in the Missouri River rate case, whereby the gross and net revenues for the fiscal year 1914 were estimated to be affected by approximately \$3,000,000. Further, the failure of the maize crop last year contributed to the depletion of revenue. So far as earnings are concerned, prospects for the current year are distinctly promising, it being anticipated that considerable additional business and revenue will accrue to the Company from the bumper crops to be gathered. Beyond the additional acreage and the larger yield is the further advantage that the best crops are in the distant State of Kansas, so that in carrying the crop to market a longer haul, and consequently more revenue than usual, will be secured. But accompanying this favourable outlook from the revenue point of view is the fact that the already heavy burden of charges will be increased in the current year by approximately \$1,600,000, about one-half of which is due to the enforcement by the Interstate Commerce Commission of heavier charges for depreciation. The extra 1 per cent. of interest on the extended Notes will call for a further \$250,000, sinking fund requirements, which came into force July 1 last, will absorb \$300,000 more, while the Company will have to bear its proportion of the expenses of the Kansas City Union Terminal, estimated at about \$250,000.

In view of this state of affairs it has been apparent for some time that measures would have to be adopted for putting the finances of the Company in order, with a view to reducing interest charges. The experts who examined the affairs of the road on behalf of Messrs. Kuhn, Loeb and Co., reported that in order to provide for the maturity of the notes, to purchase greatly needed additional equipment, and at the same time to keep the line in proper physical condition the Company must be assured for the next two years of at least \$35,000,000. In their report to the directors of the Missouri Pacific made in May last, Messrs. Kuhn, Loeb and Co. stated that it seemed to them quite manifest that the

\$35,000,000 required ought not to be obtained in any manner which would increase existing fixed charges, but that, on the contrary, a reduction of such charges is imperatively called for in the best permanent interest of the property and of its stockholders.

Mainly as a precautionary measure various protective committees were formed in July representing the Four per Cent. Gold Loan of 1905, the First and Refunding Five per Cent. bonds of 1909, and the Common stock. A further committee has been formed for the purpose of protecting the Six per Cent. Notes. Representatives of the first three of these protective committees form the joint committee appointed this week, which consists of the following six gentlemen: Messrs. Alexander J. Hemphill (President of the Guaranty Trust Company, of New York), and J. J. Hanauer (of Messrs. Kuhn, Loeb and Company), representing the holders of the Five per Cent. bonds; Messrs. Otto H. Kahn (Kuhn, Loeb and Company) and Benjamin Strong, Junior, (President of the Bankers Trust Company), representing the holders of the Four per Cent. bonds; and Messrs. Frederick Strauss (of Messrs. J. and W. Seligman and Company) and Robert Winsor (of Messrs. Kidder, Peabody and Company), representing the stockholders. These gentlemen may be expected to go very carefully into the whole matter and to suggest a plan for readjusting the affairs of the undertaking that will meet with general approval and place the finances of the line on a more satisfactory basis. The question to be discussed by this joint committee is as to the best means of raising the additional money required. In some directions it is believed that the money may be raised, in part at any rate by the issue of income bonds or Preferred stock.

CHICAGO GREAT WESTERN RAILROAD.

HOLDERS of the Preferred and Common stocks of the Chicago Great Western Railroad are notified that the Voting Trust Agreement dated September 1909 will expire on the first of next month, and that on and after that date stock trust certificates may be exchanged for corresponding stock certificates of the Railroad Company. Exchanges will be made in New York at the offices of Messrs. J. P. Morgan and Company, 21 Broad Street. The results of the Chicago Great Western for the past year will prove of greater interest to investors than those of previous years for the reason that commencing with July 1 the Preferred stock has ranked for cumulative dividend at the rate of 4 per cent. Whether or not a commencement will be made shortly to pay dividends on the stock is a matter calling for the careful attention of the directors. The President of the road has stated that before the payment of dividends can be maintained with any degree of assurance gross revenue should amount to at least \$15,000,000. Those of the past year amounted to \$14,260,000, while the profit after paying all interest charges was equal to a little more than 2 per cent, upon the Preferred. To permit of the payment of the full dividend on the stock net profits would have to expand between \$800,000 and \$900,000, and it remains to be seen whether the results of this year and the outlook for the future will be sufficiently good to induce the directors to commence the payment of dividends. The property is in good shape physically, having been thoroughly rehabilitated in recent years and brought up to a standard where economical operation of traffic is possible.

CHESAPEAKE AND OHIO RAILWAY.

At their meeting held on August 20 the directors of this Company decided to defer the question of the payment of the dividend for the current quarter until the next dividend meeting to be held towards the latter part of November. This action must not be taken as indicating the curtailment or total suspension of the distribution, but as a purely precautionary measure in

view of the existing abnormal circumstances. When the board next meet to discuss the question the situation may have so changed as to warrant payment of the dividend now deferred, or at any rate enable some definite dividend policy to be disclosed. Twelve months ago the Common stock was placed on a 4 per cent. dividend basis in view of the setback in profits, but a profit to meet such distribution has been more than earned in the past year, the sum earned having been equal to about 5 per cent. on the stock. An important matter that has to be taken into consideration by the Board beyond the question of dividend is the payment to trustees of quarterly instalments for improvements under the terms of the sale of Notes in March last. At that time the Company sold \$33,000,000 of five-year 5 per cent. Notes to Messrs. Kuhn, Loeb and Co. and to the National City Bank, in order to provide funds for meeting \$28,925,000 of maturing obligations and for other financial requirements. The Company undertook to pay to trustees in equal quarterly instalments commencing August 1, 1914, \$2,000,000 for the year ending June 1915, \$3,000,000 for the year 1915-16, and \$4,000,000 for each of the following three years, such sums, aggregating \$17,000,000, to constitute a fund to be used solely for capital expenditures, including payments and discounts upon equipment notes. If such quarterly payment is not made no dividend thereafter can be paid upon the stock until all such overdue payments have been met, and no dividends can be paid on the stock unless the net income after April 1, 1914, is in excess of all matured instalments of said fund and of the dividends paid for the fiscal year or years subsequent to such date. This means that for the Company to continue its 4 per cent. dividend 7.18 per cent. must be earned on the stock in the current year, 8.75 per cent. in 1915-16, and 10.37 per cent. in the three subsequent years. It will thus be evident that the question of the continuance of 4 per cent. dividends rests mainly upon future growth of earnings and profits to which the various compulsory expenditures referred to above will contribute.

CONSOLIDATED GAS, ELECTRIC LIGHT, AND POWER CO. OF BALTIMORE.

In announcing a quarterly dividend of $1\frac{1}{4}$ per cent. on the Common stock, putting that stock on the basis of 7 per cent. per annum, the directors state that, considering the greater relative value of the Common stock as compared with the Preferred, and in view of existing market conditions, they have decided that the present is an opportune time to renew the offer of the Company to retire the Preferred stock by means of exchange into Common shares, thus giving holders of Preferred shares the advantage of an increased dividend and putting all shareholders on the same basis of participation in the Company's growth. The Preferred stock is entitled to a dividend of 6 per cent. per annum. Any Preferred stockholder desiring to exchange the Preferred stock now held for an equal number of shares of Common stock may do so by delivering up to December 19 next, either to the London Joint Stock Bank, Limited, 5 Prince's Street, E.C., or to the Continental Trust Company, Baltimore, certificates for such Preferred stock duly endorsed in blank for transfer. All shares of new Common stock issued in exchange for Preferred stock delivered on or before September 19 will rank with the existing Common stock for the dividend of $1\frac{1}{4}$ per cent., accruing and declared on the Common stock for the quarter ending September 30, 1914.

"England's Recent Progress." By T. A. Welton. (Chapman and Hall, Limited.) 10s. 6d. net.—This work is an exhaustive analysis of population statistics to the year 1901.

BENGAL DOOARS RAILWAY.

An interim dividend of 3 per cent., being at the rate of 6 per cent. per annum was recently declared by the Bengal Dooars Railway Company in respect of the half-year ended March 31 last. The Company's year now ends with September instead of December. For the calendar year 1912 the dividend was raised from 5 per cent. to 6 per cent., and a similar rate of distribution was made in respect of the nine months to September 30 last. The profit-earning capacity of the Company is, however, considerably in excess of the sum needed to pay 6 per cent. on the stock. For the year 1912, it will be recollected, the profit available for the Ordinary was £45,610, a sum equal to a dividend of about $11\frac{1}{2}$ per cent. This was slightly added to in the nine months to September 30 last, and inasmuch as the earnings of the line continue to expand the dividend-earning power of the Company now exceeds 12 per cent. on the Ordinary capital. The following revenue statement for a series of years shows the progress which the Company is making. The figures for 1913 are based on the increases shown for the nine months to the end of September:—

Bengal Dooars Railway.					
	1913*	1912	1911	1910	1909
	Rs.	Rs.	Rs.	Rs.	Rs.
Gross earnings ...	15,33,431	14,33,780	12,02,115	11,44,808	10,55,231
Expenses ...	6,05,439	5,18,495	4,55,329	4,25,741	3,88,063
Ratio ...	(39.49)	(36.02)	(37.87)	(37.19)	(33.58)
Net earnings...	9,27,992	9,17,285	7,46,785	7,19,067	6,69,168
Do. sterling ...	£ 60,255	£ 59,660	£ 48,489	£ 46,689	£ 43,450
Miscellaneous ...	1,000	450	192	135	23
Net income ...	60,255	60,110	48,681	46,824	43,478
Preference dividend	14,400	14,400	14,400	14,400	14,400
Profit for Ordinary...	45,855	45,610	34,281	32,424	29,078
Ordinary dividend ...	21,000	21,000	20,000	20,000	18,000
Rate per cent. ...	(6%)	(6%)	(5%)	(5%)	(4%)
Balance ...	21,855	21,610	14,281	12,424	11,078
To reserve, &c. ...	17,500	15,560	15,000	15,000	10,000
To loss on exchange	50	—	—	—	66
Balance ...	Cr. 4,305	Cr. 6,110	Dr. 719	Dr. 2,576	Cr. 1,012
Brought forward ...	14,657	8,547	9,266	11,841	10,229
Carried forward ...	18,962	14,657	8,547	9,265	11,841

* Based on the increase shown for the nine months to September 30.

For the six months to March 31 last the net revenue balance amounted to £36,913, and, after paying interest on reserve fund and the half-year's dividend on the Preference stock, the profit for Ordinary amounted to £28,102. The interim dividend of 3 per cent. calls for £12,000, and the balance carried forward is raised to £31,262. The coaching receipts increased Rs. 14,975, or 6.5 per cent., and goods receipts Rs. 98,015, or 18.9 per cent. The total gross earnings aggregated Rs. 8,79,224, an improvement of Rs. 1,07,450 over the corresponding six months of the previous year. Working expenses, on the other hand, totalled Rs. 3,24,738, an increase of Rs. 45,802, or 16.4 per cent., the ratio of expenses to receipts being 36.94 per cent., as compared with 36.13 per cent. The earnings for the current half-year continue to show satisfactory increases.

The excellent dividend record of the Company in recent years may be seen from the statement appended:—

Bengal Dooars Railway.												
	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903
First half	% 6	% 6	% 4	% 4	% 4	% 4	% 3	% 3	% 3	% 3	% 3	% 3
Second half	% ?	% 8	% 6	% 6	% 5	% 5	% 5	% 5	% 4	% 4	% 5	% 7
Year ...	% 6*	% 6	% 5	% 5	% 4½	% 4	% 4	% 4	% 3½	% 4	% 5	% 5

* At the rate of 6 per cent. per annum for the nine months to September 30.

The price of the stock on July 30 was 106.

Antelope.—Capital £348,032, in £1 shares.

Period		Tons Milled	Yield		Costs		Profit		Price of Shares end of Period
			£	Per Ton	£	Per Ton	£	Per Ton	
1914.									
March qr. ...		8,341	18,348	43/10	16,932	40/7	1,416	3/3	2/9
June qr. ...		9,454	23,638	50/1	16,906	35/9	6,762	14/4	2/6
July ...		4,235	9,805	46/3	6,672	32/5	2,933	13/10	2/3

Ore reserves March 31, 1914, 147,348 tons, value 42s. 8d.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

FUNDS £10,000,000.

FIRE, INCLUDING LOSS OF PROFITS, LIFE, ACCIDENT, ILLNESS,
ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, GLASS BREAKAGE,
TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' RISKS,
MOTOR-CAR RISKS, HORSE DRIVING ACCIDENTS, THIRD PARTY
and EMPLOYERS' LIABILITY,

INSURANCES effected on the most favourable terms.

Edinburgh: 35 St. Andrew Square.

London: 5 Walbrook, E.C., & 55 Pall Mall, S.W.

SUN LIFE

OFFICE. ESTD. 1810.

LIFE AND ENDOWMENT ASSURANCES,
WITH or WITHOUT MEDICAL EXAMINATION.

SINKING FUND or CAPITAL REDEMPTION
ASSURANCES.

Apply to the GENERAL MANAGER, 63 Threadneedle St., London, E.C.,
for the Society's New Pamphlet,

"THE MODERN METHOD OF STORING SAVINGS."

Insurance Notes.

ALLIANCE ASSURANCE COMPANY, LIMITED.

THE leading feature for the year ended December 31, 1913, in the annual report of this powerful and comprehensive Company is the result of the quinquennial valuation in the life department. Before considering the figures in the other sections of the business, satisfaction may be expressed that, notwithstanding the great financial depression at the close of last year, necessitating nearly £600,000 being written off the value of securities in the life and shareholders' funds, the bonuses to policyholders and dividends to shareholders have been maintained at the former handsome rates, which implies a somewhat remarkable achievement. The whole of the depreciation referred to must have taken place during 1913, because the certificate signed by directors and the auditors and appended to the balance sheet as at December 31, 1912, showed that the assets at that date were in the aggregate fully of the value stated, and that indeed the prices at which the Stock Exchange securities were taken were in the aggregate under market values. The fact that Stock Exchange securities were written down in reality increases the strength of the Company's financial position and its interest-earning capacity.

LIFE DEPARTMENT.—The new life assurances reported for 1913 amounted to £2,050,002, of which £251,915 was reassured, the net retention thus being £1,798,087, as compared with £1,575,748 in 1912. Although the Company has many foreign branches in connection with its fire business, the operations in the life section are practically confined to the United Kingdom, policies for only £6,433 having been issued by the Company in 1913 in connection with foreign and colonial business. The amount of the new life business is the largest that the Company has ever reported in any year, the average annual amount of new business during the last three quinquenniums having been as follows: 1899-1903, £819,336; 1904-1908, £1,135,678; 1909-1913, £1,563,330. This shows a marked expansion, and it has been obtained without cost to the life section, for expenses of all kinds are limited to 10 per cent. of the old and new premiums. The Company transacts a higher proportion than usual of its business in policies of large amount, owing to its influential connections

among well-to-do people, and the average amount of each new policy before reassurance in 1913 was about £750.

The life assurance revenue account shows funds at the close of the year amounting to £16,414,711, of which £6,739,669 (after transfer of £150,000 to the shareholders' funds as referred to below) relates to policies directly effected with the Alliance Company, and the balance to the acquired "Imperial," "Provident," and "Economic" businesses. These funds are arrived at after writing £375,709 off for depreciation in securities, £119,918 relating to "Alliance" policies. The quinquennial valuation of Alliance life policies, made, as five years previously, by the O^m Mortality Table in combination with net premiums, at 3 per cent. interest, with additional reserves for various purposes, showed an available surplus of £811,775, including interim bonuses of £28,176 paid during the quinquennium. Of this the sum of £150,000 was allotted to shareholders and transferred to profit and loss account, in accordance with the Company's regulations, £653,267 was allotted as bonus to participating policyholders, and £8,508 was carried forward. The amount of the reversionary bonus in the new series was the same as has been declared at each valuation since it was opened 20 years ago, viz. 30s. per cent. per annum in compound form over the quinquennium.

A quinquennial valuation of the Economic policies was made, and the result permitted a distribution of a compound reversionary bonus on participating policies in this section at the rate of 27s. per cent. per annum, as compared with the corresponding bonus of 20s. per cent. per annum at the last quinquennial occasion in 1908, when the Economic was an independent Society. This is an excellent result, considering that the Economic rates of premium were lower than the average.

The annuity account for 1913 shows that the sum of £78,347 was received as consideration for new annuities granted, and that the combined annuity fund, after writing £32,666 off for depreciation in investments, amounted to £1,559,952 at the close of the year. Sinking fund and capital redemption premiums amounted to £67,797, and the relative fund on December 31, 1913, to £741,020, after transfer of £30,000 to profit and loss account and writing £22,732 off investments.

FIRE DEPARTMENT.—In the fire section premiums in 1913 amounted to £1,347,628, showing an increase of £22,164 over those of 1912. Losses, including contributions to fire brigades (£577,108), and expenses of all kinds (£502,825), absorbed £1,079,933, and after an addition of £8,866 (40 per cent. of the increase in premiums) to the reserve for unexpired risks, the trading profit amounted to £258,829. Although less by £88,413 than the corresponding profit in 1912, this is a fine result, the amount representing 19.2 per cent. of the premiums, and sufficiently attesting the extremely high quality of the business. Interest earnings in the fire fund, less income tax, produced £88,875, so that the total departmental profit, transferred to profit and loss account, amounted to £347,704. Thereafter the fire fund stood at £2,116,059, representing about 157 per cent. of the year's premiums, or nearly five times the amount usually assumed as sufficient to meet claims on unexpired risks, and this must be considered more than ample for such a purpose in a Company like this, consistently showing a specially low loss ratio. The reserves against conflagrations and similar contingencies are therefore enormously strong.

MARINE DEPARTMENT.—The premiums in this section amounted to £218,259, being less by £973 than in 1912. The underwriting surplus is reported as £26,225, in addition to which there were interest earnings of £19,032, the amount transferred to profit and loss account being £45,257. The marine fund was

maintained at £437,862, including reserve for unexpired risks.

The leading figures in the other departmental accounts were as follows:—

	Premium Income £	Funds at close of year apart from provision for outstanding claims £
Personal accident	10,780	15,500
Employers' liability (within the United Kingdom)	128,721	186,408
Miscellaneous (including Burglary and Fidelity business)	57,852	157,574
General	15,949	99,172

No transfers to profit and loss were made from these accounts, the surplus on the year's operations amounting to £57,782 being added to departmental reserves.

The profits taken into account in profit and loss were as follows:—

Department	Profits from Trading £	Interest Earnings £
Fire	258,829	88,875
Marine	26,225	19,032
Life (quinquennial)	150,000	—
Sinking fund	30,000	—
Interest and fees in profit and loss account, less expenses and taxes	—	35,708
	465,054	143,615

Thus the total profits taken into account from all sources aggregated £608,669. But, apart from sums written off departmental funds for this purpose, sundry other investments were written down by £143,422, leaving £465,247 as the net profit. The dividend to shareholders, declared at the former rate of 12s. per share, less income tax, requires £395,514 for distribution, and the balance carried forward in profit and loss account after provision therefor is increased by £69,733 to £556,403.

The total assets on December 31, 1913, amounted to £24,113,841, and the funds (after deductions of sums set aside to meet outstanding liabilities) to £23,728,608. The assets are certified as in the aggregate fully of the value stated. Stock Exchange securities having been taken at market values at the close of the year. The subscribed capital amounts to £5,450,000, of which £1,000,000 is paid up.

ARMAMENT COMPANIES.—III.

BIRMINGHAM SMALL ARMS.

THE original object of this Company was the establishment in Birmingham of a factory for the manufacture by machinery of military rifles for the British and foreign governments. Subsequently there was added the manufacture of cycle component parts, and later on, through the acquisition of another business, the manufacture of cycles was added. In addition, through the purchase from the Government of the Royal Small Arms Factory at Birmingham, the Company took up the manufacture of engineers' small tools and twist drills. The latest addition to the business is that of the manufacture of motor buses, motor cars, motor wagons. The Company dates back originally to 1873, though the business was started in 1861, but it was reorganised in its present form in 1896. In 1902 a further alteration was made in the capital account, and it was decided to distribute a reserve fund amounting to £65,900, together with a sum of £36,575 taken from profits, as a bonus to the Ordinary shareholders in the shape of one new Ordinary share for every two shares held. A further expansion occurred six years ago, when the business of the Eadie Manufacturing Company was taken over, the Eadie shareholders receiving in exchange for their shares 45,000 fully-paid Ordinary shares of £5 each of the Small Arms Company. In September 1910 another important move was made, perhaps the most important in the history of the Com-

pany, when the Birmingham Small Arms Company took over the important business of the Daimler Motor Company. This took place by means of an exchange of shares, the holders of shares in the Daimler Company receiving, first, for every £1 Preference share the sum of 25s. in cash, and, secondly, for every four Ordinary shares five fully-paid Ordinary shares in the Birmingham Small Arms Company. For various reasons the accounts of the Daimler Company were not merged in those of the Birmingham Small Arms Company, but a new Daimler Company was formed, the shares in which are held entirely by the Small Arms Company. The result of the amalgamation was to increase the Ordinary share capital of the Small Arms Company from £517,225 to £766,982, the Preference share capital remaining unchanged at £203,150. On the basis of the profits made by the companies working separately a net profit of over £200,000 was to be expected. In view of the fact, however, that, as already stated, the business of the Daimler Company had not been merged with that of the Small Arms Company, and no accounts are published of the Daimler Company, it was not possible up to the issue of the last report to say whether the result of the amalgamation has been to increase the profits of the companies working separately. But from certain figures given in the last report it would appear that for the twelve months to July 1913 the combined profits amounted to about £255,000, the figures given, strangely enough, showing an almost equal amount from each Company. No profit and loss account is published by the Small Arms Company, and the balance sheet merely shows the balance to credit of profit and loss account, including rents and income from the Daimler Company, Limited, and other investments, the figures for the year being £187,921. In a paragraph in the report it is stated that the trading results of both the B.S.A. and Daimler Companies have been very satisfactory, the net profit of the latter being £127,913. Out of this profit a dividend has been declared amounting to £60,000, "which sum is incorporated in the profits as shown, and is equivalent to the amount now carried to the general and machinery reserve funds of this Company." Deducting the £60,000 dividend from the £187,921, there remains a balance of £127,921, representing the profit made by the B.S.A. Company, as compared with the profit of £127,913 made by the Daimler Company, the two combined totalling £255,834.

The profits of the B.S.A. Company, as pointed out, are shown as £187,921, and after payment of the Preference dividend of 5 per cent. and 15 per cent. on the Ordinary shares there was a balance of £63,309, of which £10,000 has been carried to the general reserve fund, bringing it up to £300,000, and £50,000 has been transferred to the machinery reserve fund, which is apparently a new fund. This represents, as stated, the amount of the dividend received from the Daimler Company, and consequently the dividends have been provided from the trading of the Birmingham Small Arms Company, and the whole of the Daimler profits have been used for betterment purposes.

We show below how the profits have been distributed since 1907:—

Year ended July 31—	1913	1912	1911	1910	1909	1908	1907
	£	£	£	£	£	£	£
Net profit...	187,921	178,453	232,818	98,776	84,086	98,837	80,252
Pref. div., 5 %	9,565	9,565	9,565	9,565	9,621	9,650	9,650
	178,356	168,888	223,253	89,211	74,465	89,187	70,602
Ordinary div.	115,047	115,047	115,047	77,584	51,722	77,583	45,709
	(15 %)	(15 %)	(15 %)	(15 %)	(10 %)	(15 %)	(15 %)
	63,309	53,841	108,206	11,627	22,743	11,604	24,893
Reserve fund	60,000	50,000	100,000	10,000	—	—	25,000
	3,309	3,841	8,205	1,627	22,743	11,674	—107
Brought forward	59,277	55,436	47,230	45,603	22,860	11,256	11,363
Carried forward	62,586	59,277	55,436	47,230	45,603	22,860	11,256

During recent years a substantial growth in the capital of the Company has taken place, and the

effect of the distribution of the reserve and of the acquisition of the Eadie and Daimler businesses may be seen from the following comparative statement, which sets out the liabilities and assets of the Company for the year before the reserve was capitalised and for several years since the Eadie business was taken over:—

Liabilities.					
Year ended July 31—1901	1910	1911	1912	1913	
£	£	£	£	£	
Share capital	406,300	720,375	970,132	970,132	970,132
London City & Midland Bank	12,285	—	—	—	—
Sundry creditors	47,456	66,797	84,044	82,126	69,741
Reserve fund	65,000	130,000	140,000	240,000	290,000
Profit and loss account	65,758	113,735	236,917	190,751	204,096
	596,797	1,030,207	1,431,093	1,483,018	1,533,939
Assets.					
Year ended July 31—1901	1910	1911	1912	1913	
£	£	£	£	£	
Land, buildings, &c.	370,408	663,838	590,282	596,090	537,858
Sundry stores	59,984	—	—	—	—
Work finished and in progress	77,960	159,234	196,464	203,440	238,008
Sundry debtors	33,259	73,868	163,882	123,956	134,436
Investments, &c.	55,150	12,596	351,832	351,632	351,732
Cash in hand	36	121,381	128,633	202,898	211,905
	696,797	1,030,907	1,431,093	1,483,018	1,533,939

In order to provide additional working capital and replace sums amounting to upwards of £150,000 paid in 1910 to shareholders in the Daimler Company it became necessary last year to increase the capital. Accordingly 500,000 of £1 Six per Cent. Cumulative "B" Preference shares were created, and towards the end of October last 300,000 of these shares were offered for sale at the price of 21s. per share. Consequently, at the present time the paid up capital amounts to £1,270,132. The report for the twelve months to July 31, 1914, is, of course, not yet issued, but there can be little doubt that the Company has had a prosperous year, and in spite of the larger sum required for distribution by way of dividend on the new "B" Preference shares, there should be no difficulty in maintaining the dividend on the Ordinary share capital at 15 per cent. The outlook for the current year is also of the brightest character; not only is the Company very busy at the present time in the manufacture of rifles, but it is probable that this activity will continue for some time to come. Moreover, the Daimler Company should also experience a satisfactory increase in demand for its output of motor cars, &c. The Company occupies a very strong position, as may be gathered from the statement of liabilities and assets given above. It will be seen that its creditors are very small in amount, reaching only £69,741 in July 1913. Against this there were assets valued at £1,533,939, and it may be pointed out that no value is placed on goodwill or patent rights either in the Birmingham Small Arms Company or in the Daimler Company. The £1 Ordinary shares is quoted at 2½, and on the basis of the 15 per cent. dividend paid a yield of practically 7½ per cent. is forthcoming. The £5 First Preference share is quoted at 5½, at which price a yield of nearly 4½ per cent. is afforded. The £1 Second Preference share is quoted at 1½, at which price the yield afforded is £5 3s. 3d. per cent.

Amount	Description	Par	Price	Dividend	Yield
£		£	£	%	p. s. d.
203,150	5 % Cum. Pref.	5	5½	5	4 11 11
300,000	6 % Cum. Pref.	1	1½	6	5 3 3
766,982	Ordinary shares	1	2½	15*	7 14 2

* Tax free.

WEBLEY AND SCOTT, LIMITED.

The business of this Company is that of gun and rifle manufacturers. It was formed in October 1897 under the title of the Webley and Scott Revolver and Arms Company. Its career has been unfortunate, and in 1906 a reconstruction took place, the name being changed to its present form. The Company ranks as the only really large manufacturers of pistols in England, and its revolvers are used in the British Army and also in several police forces both in the United Kingdom and elsewhere. Since 1910 a steady rise has occurred year by year in the profits, and

the Company has been able to make some provision against the arrears of Preference dividend that have occurred in spite of the capital reorganisation in 1906. Even so, however, with the payment for 1913 the arrears still amounted to 14 per cent. The following shows the profits of the past five years:—

Year ended Dec. 31—1913					
	1913	1912	1911	1910	1909
	£	£	£	£	£
Net profit	9,511	7,640	5,432	3,187	6,208
1% pref. div. (arrears)	7,035	7,035	4,690	—	4,397
	(6%)	(6%)	(4%)		(3½%)
	2,476	605	742	3,187	1,511
Written off special expenditure	—	—	—	1,468	—
	2,476	605	742	1,719	1,511
Reserve	1,500	1,000	1,000	1,000	1,000
	976	395	258	719	211
Brought forward	492	887	1,145	426	216
Carried forward	1,468	492	887	1,145	426

The issued capital at the end of 1913 was £217,750, of which £117,250 was in Preference shares, the balance being in Ordinary shares. The total assets are valued at £232,266, but of this goodwill, patents, licences and trade marks stood at £79,218. This is, of course, much too high a figure, and it is desirable that some scheme should be formulated whereby this amount should be drastically written down. The position at the end of last year may be seen from the following:—

LIABILITIES.		£
Issued capital—		
5 per cent. Cum. Pref. shares		117,250
Ord. shares		100,500
Sundry creditors		4,349
Unclaimed dividends		164
Profit and loss		10,003
		232,266
ASSETS.		£
Freehold land buildings		30,537
Plant, machinery and tools		40,988
Office furniture, fixtures, &c.		656
Stocks		47,224
Sundry debtors		24,527
Cash and bills in hand and at bankers		5,716
Investments		3,400
Goodwill, patents, licenses and trade marks		79,218
		232,266

With the special position occupied by the Company as manufacturers of revolvers, it is not surprising to find that at the present time it is exceptionally busy, and it is probable that this will continue for some time to come. Complaints have been raised in the daily press of prices being raised very considerably since the declaration of war. As officers have to purchase their own revolvers the higher prices charged naturally caused very considerable dissatisfaction. Accordingly the directors have decided to refund practically the whole of the amount charged in excess of the ordinary prices, as may be seen by the following circular which has been issued to the retail trade:—

"As a result of an interview with the Master-General of Ordnance, Major-General Sir Stanley von Donop, K.C.B., we have arranged to refund to revolver dealers the amount of any overcharge on the

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RAZOR

NEVER REQUIRES GRINDING

A PLEASURE TO USE

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EACH RAZOR IN A CASE.

By the Special Process which the "KROPP" Razor undergoes in manufacture EXACTNESS and EQUILIBRIUM OF TEMPER and TEXTURE are assured, rendering the Daily Shave a Luxury.

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IVORY Handles 7/6

following service pistols—viz., 'W. F.,' 'W. S.,' 'W. G.,' 'Mark IV.,' and '.455 Automatic Pistols,' less 2½ per cent. The dealers, on their part, will refund to any officer of His Majesty's Forces the full extra amount which has been charged to them, or persons acting on their behalf, in excess of the ordinary price, less a sum of 10 per cent. The refund will be paid by us on the production of satisfactory evidence that the sums have been refunded to the purchasers."

Though the Company has stated that it has to pay higher prices for its raw materials, there can be little doubt that the enormous demand that has to be faced for revolvers, &c., will mean that the Company is kept very busy, and, consequently, profits should respond. There are, therefore, grounds for assuming that the current year's profits should be sufficiently large to enable a substantial portion of the Preference dividend arrears to be paid off. Indeed, the general outlook for the Company is much better than it has been for many years past. The price of the £1 Preference share, which includes arrears of dividend, is 14s., while the £1 Ordinary share may be obtained at about 6s. 6d.

GUEST, KEEN AND NETTLEFOLDS.

SPEAKING generally, during the past twelve months the prices of iron, steel, and coal have shown a steady falling-off, and it is not surprising, therefore, that iron, steel, and coal companies are showing a reduction in profits. An example may be found in the most recent report of Guest, Keen and Nettlefolds, Ltd., a concern which, while it has its headquarters in Birmingham, is also interested in the South Wales coalfields, and for the twelve months to June 30, 1914, the profits are shown as £401,722, as compared with £453,093 for the previous year. The reduction is a comparatively small one, but in comparing the results achieved by the Company it must not be forgotten that the profits reported by the Company do not necessarily tally with the actual profits made, for, as is well known, the Company, in common with other Birmingham industrial concerns, has authorised the directors to build up and maintain an internal reserve fund, and it is manifestly impossible to judge as to the manner in which profits are drawn upon before being publicly announced. It may be that very substantial sums are set aside. On the other hand, it is possible during a time of depression that the reserve fund may be drawn upon to make up profits to an average figure. A further course that may be taken is that no allocation is made from the profits nor is anything taken from the reserve to maintain profits. In the circumstances, therefore, the figures as announced do not necessarily represent the actual fluctuations that occur from year to year; and, indeed, from a mere cursory reference to the figures shown in the accounts of Guest, Keen and Nettlefolds it is evident that some adjustment has been made in the figures year by year. Having regard to the large fluctuations that have taken place in the iron and coal and steel industries during the past seven years alone, it would have been almost miraculous for a company to have maintained its profits at such a level as is shown by a minimum of £350,000 and a maximum of £470,000. As an example of the manner in which the profits have fluctuated, Bolckow, Vaughan and Company made a profit of over £600,000 for the year to June 30, 1907, while for the following year it fell to £240,000. The corresponding figures of Guest, Keen, are £470,000 and £455,000 respectively.

It may be recalled that in its present form the Company dates back to 1902, the business itself going as far back as 1853. In its present form it consists of several amalgamations, and includes such businesses as those of the Patent Nut and Bolt Company, the Dowlais Iron Company, Guest and Company, and Messrs. Crawshaw Brothers; while in 1902 an

amalgamation was brought about whereby the important business of Nettlefolds, Limited, was added to the Company, the concern then becoming known under its present title. By means of these various amalgamations the Company has command of its raw materials, and is consequently to a large extent, if not entirely, independent of outside sources of supply.

The result of taking over Nettlefolds' business was that the capital of Guest, Keen and Company was increased to the authorised amount of £4,850,500, of which there has been issued £4,535,500.

Up to 1907 the distribution on the Ordinary shares was maintained steadily at 10 per cent., but the exceptionally prosperous time experienced during that year justified an increase of means of a bonus to 15 per cent. Moreover, this increased distribution has not absorbed the whole of the available profits, and during the past eight years a total sum of £770,000 has been added to the reserves. For the past year, after providing for the Ordinary dividend and bonus of 15 per cent., there is a balance of £101,424. Of this £20,000 has been placed to the accident and fire insurance fund and £50,000 has been placed to reserve, while the balance of £31,424 has been added to the carry forward, bringing it up to £270,440, which is more than sufficient to provide for a dividend of 25 per cent. on the Ordinary capital.

We show below the distribution of the profit made for each of the past six years:—

	1914	1913	1912	1911	1910	1909
	£	£	£	£	£	£
Net profits ...	401,722	453,093	385,586	383,009	348,093	371,724
Deb. interest (4 %)...	69,548	69,702	69,702	69,702	69,702	70,165
	332,174	383,391	325,884	313,307	278,391	301,559
Prof. dividend (5 %) ...	86,000	86,000	86,000	86,000	86,000	86,000
	246,174	297,391	239,884	227,307	192,391	215,559
Ord. dividend (15%)...	144,750	144,750	144,750	144,750	144,750	144,750
	101,424	152,641	95,134	82,557	47,641	70,809
To reserve ...	70,000	120,000	70,000	70,000	70,000	70,000
	31,424	32,641	25,134	12,557	-22,359	809
Brought forward ...	239,016	206,375	181,241	169,685	191,044	190,235
Carried forward ...	270,440	239,016	206,375	181,242	169,685	191,044

With the latest additions the reserve fund will amount to £1,450,000, and the accident and fire insurance fund to £220,000. The reserve fund is invested outside the business, the total investments standing in the books at £2,677,045. Assuming that the investments bring in an average return of 4 per cent., they would contribute £107,000 to the shown profits of last year. Possibly, however, this is rather a high return to look for, inasmuch as, with the exception of the shares in the Orconera Company and Crawshaw Brothers, Limited, it is understood that the balance consists of Consols, Irish Land stock, and other similar gilt-edged securities.

The position as shown by the balance sheet is as follows:—

Balance Sheet, June 30, 1914.

Liabilities.						£
Share and loan capital ...	...	...	...	...	...	4,535,500
Reserve fund ...	...	...	...	...	...	1,400,000
Accident and fire insurance fund ...	...	...	...	...	...	200,000
Sundry creditors ...	...	...	...	...	...	329,980
Profit and loss account ...	...	...	...	...	...	479,941
						6,945,421
Assets.						£
Land, buildings, collieries, blast furnaces, machinery, &c. ...	...	...	...	...	...	2,821,200
Stock of goods and raw materials ...	...	...	...	...	...	714,207
Sundry debtors ...	...	...	...	...	...	377,168
Investments ...	...	...	...	...	...	2,677,045
Cash and bills at bankers' and in hand ...	...	...	...	...	...	355,801
						6,945,421

It will thus be seen that an exceptionally strong position has been built up. The total assets are valued at £6,945,421. We have already drawn attention to the amount of the investments, while the cash reached the substantial figure of £355,801. The land, buildings, collieries, blast furnaces, &c., are valued at £2,821,200, and it may reasonably be stated that this figure is in all probability an under-

valuation. The Company has always been noted for carrying out an exceptionally cautious and conservative financial policy, and it is certain, therefore, that the allowance for depreciation has been on a very substantial scale. The stock of goods and raw materials is valued at £714,207, as compared with £573,553 twelve months ago. As against sundry debtors valued at £377,168 the Company had sundry creditors standing for £329,980.

Naturally, since the outbreak of war prices are showing a higher tendency, and in consequence it is probable that the current year will be a substantially prosperous one for the Company. In view of its strong position it is exceptionally well placed to take advantage of any trade activity. The demand for coal is likely to be exceptionally large, and substantial profits should be made in this part of the business. In its manufactured iron articles also the Company should do very well. The £1 Ordinary share is quoted at 3½, giving a yield on a 15 per cent. distribution of £4 18s. 7d. per cent. The £5 Preference share stands at 5½, giving a yield of 4½ per cent., while the Debenture stock may be obtained at about £99.

We recapitulate below the capital, prices, dividends, and yields afforded:—

Amount £	Description	Par £	Price £	Dividend %	Yield £ s. d.
1,850,500	4 % Mortgage Debenture stock...	100	89	4	4 1 3
1,720,000	Cumulative Preference shares ...	5	5½	5	4 9 11
965,000	Ordinary shares ...	1	3½	15*	4 18 7

* Free of tax.

WORKINGTON IRON AND STEEL CO.

In view of the fall in prices during the past twelve months the results secured by the Workington Iron and Steel Company are very satisfactory, the reduction for the year to June 30, 1914, being only £13,000 as compared with the very prosperous period to June 30, 1913. In its present form the Company is a young one, being an amalgamation in 1909 of the Workington Iron Company, Limited, the Harrington Iron and Coal Company, Limited, the Moss Bay Hematite Iron and Steel Company, Limited, and the Cumberland properties of Cammell, Laird and Company, Limited. The amalgamation places the supplies of raw materials very largely in their own hands. The Company has coal, iron ore, limestone, blast furnaces, steel works, and shipping facilities to a very great extent all self-contained. The paid up capital is £2,097,117, and on this the profit last year amounted to £206,480. A sum of £50,000 was provided for depreciation, the Ordinary dividend was maintained at 6 per cent., and a sum of £30,000 has been carried to reserve. As regards the dividends the report points out that "in view of the very uncertain position of affairs in declaring the dividend on the Preference shares, and in recommending the declaration of a dividend on the Ordinary shares, the directors propose that the respective dates of their payment shall be left to the discretion of the board."

In the following table we give a comparison of the profits and appropriations for the past five years:—

	Year to June 30, 1914	Year to June 30, 1913	Year to June 30, 1912	Year to June 30, 1911	Year to June 30, 1910
Profit ...	206,480	219,525	83,731	130,718	92,706
Depreciation ...	50,000	50,000	25,000	25,000	20,000
	156,480	169,525	61,731	105,718	72,706
Preference dividend ...	60,001	60,000	60,000	54,000	48,507
Ordinary dividend ...	65,827	65,827	—	32,914	—
	(6 %)	(6 %)	—	(3 %)	—
Special expenditure ...	—	—	—	4,188	11,707
Preliminary expenses, &c.	—	7,579	5,000	5,000	5,000
	70,853	36,119	—3,269	9,616	9,492
Reserve ...	70,000	30,000	—	—	—
	653	6,119	—3,269	9,616	9,492
Brought forward ...	21,958	15,839	19,108	9,492	—
Carried forward ...	22,611	21,958	15,839	19,108	9,492

The total assets are valued at £2,516,105. Of

this £1,768,530 stands for the value of the property. Stocks are £429,247, as compared with £442,285 twelve months ago. Debts due to the Company stand at £174,215, while the debts due by the Company are £217,978.

In the following statement we set out the liabilities and assets of the Company as at June 30 last, and add for comparison the corresponding figures at June 30, 1913, also those for 1910, the date of the first balance sheet issued by the Company:—

Balance Sheet at June 30.

	1914 £	1913 £	1910 £
LIABILITIES.			
8 % Cum. Pref. shares of £1 each, fully paid	1,000,000	1,000,000	800,000
Ordinary shares of £1 each, fully paid ...	1,097,117	1,097,117	1,097,103
Reserve ...	30,000	—	—
Debts due by Company ...	217,978	277,889	334,609
Profit and loss account £...	171,010	177,938	58,491
	2,516,105	2,552,942	2,292,203
ASSETS.			
Leasehold property, plant, tools, &c. ...	1,768,530	1,735,670	1,656,070
Investments ...	121,774	157,275	96,776
Stocks ...	429,247	442,816	361,133
Debts due to Company ...	174,215	182,317	160,555
Workmen's insurance ...	—	—	295
Cash ...	122,339	27,285	1,791
Formation expenses ...	—	7,480	22,579
	2,516,105	2,552,942	2,292,203

The current year should be a prosperous one for the Company, as it should be able to increase its output and dispose of it at higher prices. The £1 Ordinary share may be obtained at ½, and on the basis of a 6 per cent. dividend a yield of £9 3s. 9d. per cent. is forthcoming. The £1 Preference share is quoted at a little over par. In view of the large amount of capital and the small figure at which the reserve stands it is certainly to be desired that substantial allocations should be made to this fund before any increase in dividend is made. We show here-with the yields at recent prices:—

Amount £	Description	Par £	Price £	Dividend %	Yield £ s. d.
1,000,000	8 % Cum. Pref. ...	1	1½	8	5 19 8
1,097,117	Ordinary shares ...	1	½	6	9 3 9

TAFF VALE RAILWAY.

THE Taff Vale dividend for the past half-year was unchanged at the rate of 4 per cent. For the past year the distribution has been 4 per cent., against 4½ per cent. for 1912-13. Traffic receipts showed little variation in the first 26 weeks of this year, and the small increase reported appears to have been slightly more than absorbed by additional expenses, the decline in the net profit having been £200. An extra £1,365 was brought forward, so that the balance of £5,116 carried forward was £1,166 higher. Recent dividends have been as follows:—

Taff Vale.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
Dec. half...	4	4½	4	4	4	4½	4	4	3½	3½	3½	3½
June half	4	4	3	4	4	4	4	4	4	4	4	3½
Year ...	4	4½	3½	4	4	4½	4	4	3½	3½	3½	3½

Mental or Physical Fatigue

Of Chemists.
1/6 and 3/-
per tin.

ALLEN
and
HAMBURYS
Ltd.,
Lombard St.,
London.

When brain or body is weary the digestive powers are weakened and distaste for ordinary food is often experienced. Under such circumstances the 'Allenburys' DIET is especially valuable. It is pleasant to take, easily digested and assimilated, and speedily restorative. Thus it helps the system to recover tone and vigour. Made in a Minute—add boiling water only.

Large Sample
will be sent for 3d. Stamps.



A PROFITABLE ASSURANCE.

SPECIAL COMBINATION securing in return for a Limited Number of Premiums a fixed Sum at Death, whenever it may happen, and a

Large Guaranteed Bonus during Lifetime

together with valuable options and additional benefits.

EXAMPLE.—Age 25. Sum Assured, £500.
Annual Premium (payable for 20 years only) - £23 16 8

GUARANTEED RESULTS:

- (a) In case of death during the term,
PROFIT varying from £102 to £484.
(b) In case of survival,

ULTIMATE PROFIT of £273, in addition to 20 years' accumulated Bonuses.

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

CHIEF OFFICE: ST. MILDRED'S HOUSE, POULTRY, LONDON, E.C.

Assets Exceed £10,500,000.

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Insurance Company, Limited.

ESTABLISHED 1859.

The Oldest Independent Fire
Office in the British Empire.

Head Office: 39/41 NEW BROAD STREET, LONDON, E.C.

PROFITS & INCOME INSURANCE COMPANY, Limited.

9 FLEET STREET, LONDON, E.C.

Assets exceed: £285,000. Capital Paid-up: £40,000.

The Company issues **SICKNESS and ACCIDENT POLICIES** of every description, assuring against temporary or permanent **LOSS OF INCOME** up to age 65. Special attention is directed to the Company's **permanent contracts, which are continuous and non-terminable**, meeting a demand not provided for by the ordinary Annual Contract Sickness Policies.

Under the NEW "PERFECTED" SICKNESS and ACCIDENT POLICY the payment of Insurance premiums of all kinds, Rent, Income Tax, and other Annual fixed charges, is covered during incapacity from illness or accident.

CHAS. WINDETT, Actuary and Secretary.

COMMERCIAL UNION

ASSURANCE COMPANY, LIMITED.

Chief Office - CORNHILL, LONDON.

Total Assets (Including Life Funds)—£24,902,252.

ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £19,618,135

FIRE, LOSS OF PROFITS,
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Commercial.

THE WOOL TRADE.

PRESENT AND PROSPECTIVE WAR EFFECTS.

CONDITIONS have befallen the wool trade in consequence of the European war which, with one importance difference, have their parallel in the Franco-Prussian War of 1870 to 1871. In the former period only two European nations were fighting, whereas to-day some seven nations are in conflict, and all are more or less consumers.

Belgium, France, Germany, Austria-Hungary, and Russia, also Switzerland, are closely identified with the Colonial as well as the English wool trade.

From the announcement of the outbreak of war between Germany and France it was at once realised that a great blow had befallen the wool trade, and at once business came to a standstill. When Germany proclaimed war with Belgium, and England took up Belgium's case, a still heavier blow befell the trade, the result being that in some two or three days all communications ceased, shipments were stopped, and that is where things stand to-day. As soon as ever

trouble threatened scores of cables were received in the West Riding of Yorkshire to stop delivery of all orders, and all remittances entirely ceased in twenty-four hours.

The result of the above incidents was a state of chaos—in Bradford in particular; but we are glad to say it did not last long. The businesslike way the Government tackled the financial situation soon allayed fears regarding that important branch of the trade, while last week it was recognised that the crisis had passed. Those having on hand important Government contracts for the Army and Navy were required to make deliveries with all possible speed, while new contracts were put out for khaki, silver-grey shirtings, blankets, horse-rugs and puttees, all of which made it necessary for spinners and manufacturers to seek new supplies. We say that this has done more to lift the cloud overhanging the textile trade than anything, and to-day the whole situation gives much better promise than a fortnight ago.

Last week's business, and also this week's, although less than its predecessor, has stimulated confidence, and certainly leads to much better expectations regarding the immediate future. Naturally prices have been somewhat affected. Merino tops (64's) have lost ground 1d. to 1½d. compared with prices during the last series of London sales, it being a fact that last week a very good 64's from one of Bradford's best topmakers changed hands at 2s. 6½d. The week after the war was proclaimed with Germany even coarse crossbred tops in many cases dropped ½d. to ¾d.; but last week's business saw a quick recovery, and good 40's prepared tops are to-day, firm at 15½d., some makers being unwilling sellers under 16d. At the moment we do not expect merinos to lose much ground, though naturally with prices to-day being high, all users are very desirous of seeing a much lower buying basis established for the opening of the next season's sales in Australia, whenever that may be. Nobody likes to commence a new season with 64's over the half-crown level, but it is too early to say what will actually take place. A good deal will depend upon how the war terminates, and the position in which it leaves France, Germany, and Belgium.

The outlook for crossbreds is somewhat different. If the war continues any length of time all descriptions will be lifted to a higher altitude, and we should not be surprised to see quotations dearer at the next series of London sales, particularly New Zealand crossbred slipes.

There has been a good deal of talk in Bradford during the past 10 days about the next series of London sales being abandoned, but we hope that the Merchants' Importing Committee will think twice before coming to that decision. We say that the end of the first or second week in September should dawn before any decision is come to in regard to the abandonment of the next London sales, which are due to begin on September 29, for before the middle of September a good deal can happen. If the war continues, as we have already said, both home and Continental armies will all be wanting immense quantities of clothing; consequently the home trade will be the principal operators, and Yorkshire firms are well able to lift all prospective supplies at the fifth series of auctions and pay even higher prices for the slipes available. On these grounds we hope the authorities in London will not act too quickly, but will wait until they see how things shape.

One important item in connection with the present war is that there is no likelihood of it cutting off supplies of raw material to this country. Both in South Africa and in Australia shearing at this moment will be general, particularly throughout the Commonwealth, and with all the Colonial new season's sales having been indefinitely postponed a very peculiar situation obtains. From our personal knowledge of the attitude of Colonial wool brokers, they will not

countenance the shipping of big quantities of raw material to Coleman Street—at least parting freely with the clips they have been accustomed to handle during recent years. We feel certain they will advise their clients to retain the wool in Australia until they see how things develop on the Continent; but we strongly believe that it will serve Australian growers' best interests if they ship to London, because after two or three months of war French and German buyers will, if living, be in very poor form for making a colonial trip. London being in such close proximity to France, Belgium, Germany, Switzerland, and Russia, buyers would be able to meet all their requirements in Coleman Street, and therefore there is every reason for expecting larger weights of wool being sold this next season in Coleman Street, and we think Australian selling brokers and pastoral companies will be serving the interests of their clients by advising this line of action. Several home-trade and American buyers have left, but some of the largest from Bradford and district cancelled their berths a fortnight ago, and when they will sail they cannot say. However, future developments on this head can be left. What we say in regard to Australian sales applies equally as forcibly to the South African "new clip," because such large weights are generally bought by Germany.

Regarding the prospective demand, it is yet too early to say what is likely to take place. Most West Riding mills have decided to run from Tuesday morning to Friday night, except where they are engaged on Government contracts. Several of these are running day and night, and will continue to do so. The Government can give the greatest assistance in stimulating demand and enabling factory operatives to earn sufficient to keep body and soul together. A good suggestion has been made to the Admiralty to distribute their orders as much as possible. For the moment the home trade has been severely hit, because the rank and file have been so persistently urged to husband their resources—a line of action with which no fault can be found. At the same time, the war opened up a larger problem, to which West Riding as well as manufacturers in other parts of Great Britain are fully alive.

All the Continental mills have been closed; hence the home trade stands to gain largely at the expense of Germany, Belgium, and France. Many are of the opinion that the home trade will see a boom at no distant date, and certainly West Riding manufacturers stand to gain a great deal (at least temporarily) by the continuance of the war. Already many cloths which have been made on the Continent have been sent to Bradford, particularly by the United States importers, to see if they can be made for the next spring season, and to all intents and purposes the home trade will be called upon to meet outside markets throughout the entire world. That being so, the outlook on the whole is favourable. Whether a period after the order of the Franco-Prussian boom of 1872 may be expected is perhaps a little doubtful, but everything seems to indicate that the home trade stands to benefit considerably, because the spindles and looms of the West Riding can be kept running if orders are at all forthcoming. Then, too, American mills will also benefit considerably, owing to orders for dress goods previously given to French and German houses being placed at home. If that be so, America must look to England and her Colonies to supply big weights of raw material, and this will have some effect upon prices. So far, the outbreak of war has had no particularly evil effect upon wool prices, and we do not think it will. What Bradford is suffering most from to-day is that a few millions of money are locked up on the Continent, and many Bradford firms are in a very critical state, particularly export houses. Full advantage is being taken of the moratorium, and we think that if deferred payment

is extended until the war finishes, and patience and good feeling are exercised, the large Bradford export houses who are wanting huge sums of money will be able to pay all creditors in full. We repeat that the West Riding trade stands to gain considerably by the war, and something totally unforeseen will have to occur if crossbred wool prices in particular decline, and with stocks of merinos being light we are not looking for any serious set-back in these at present.

LANCASHIRE COTTON INDUSTRY.

COMPARED with a week ago a distinct improvement has shown itself in the tone of the Manchester market; that is to say, no increase of business has taken place, but in one way and another there have been indications of some progress towards more normal trading conditions. In both yarn and cloth delivery instructions have been received on a much freer scale. Shipments to India and also to China have been arranged. It is also hoped that something will be done very soon as to sending out goods to the Levant and Egypt. The payment of accounts has been more satisfactory and many firms have now cleared off everything that is due up to date. It is not an easy matter to estimate the curtailment of production, but it would not be far wrong to say that only about half the machinery in both spinning and weaving is now running. It is thought by some people that further restriction of the output will not take place just at present at any rate. Shippers have welcomed the reduction in the Government insurance rate from four to three guineas, but the latter figure is still too high. It is generally believed that if a bold policy could be decided upon and the risk taken at 1 per cent., Lancashire would be prepared to continue the export trade on a much fuller scale. Another hindrance to fresh business is the fact that the postal authorities are still refusing to accept telegrams in code.

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Snake Charmer Cigarettes

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Per Packet
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SIZE
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May be obtained at all the branches of Salmon & Gluckstein, Ltd., or post free from their Warehouse, 2-14, Clarence Street, St. Luke's, London, E.C.

Most artificial conditions continue to prevail in Liverpool and the Futures market remains closed. Lancashire spinners believe that but for the war crisis values in the raw material would by now have been on a much lower level. Decidedly favourable news has come through relating to the new American crop. One well-known authority says that the conditions are excellent and anticipates a yield of record dimensions. It looks as though Lancashire must be prepared to face depreciation of stocks of manufactured goods in the outlets of the world, and this may be an awkward matter later on.

A further attempt has been made this week to form an agreement as to bad spinning between the Masters' Federation and the workpeople, but the meeting held on Tuesday last was futile and the deadlock still exists.

The Directors of the London Metal Exchange, at a meeting held on August 21, passed the following ruling:—"The Directors and Committee rule that the London Metal Exchange Moratorium does not apply to liabilities of the King's enemies. Members having contracts with German or Austrian firms or individuals should, if they think fit, close out all such transactions forthwith at the settlement prices on July 30—viz., copper, £56 10s.; tin, £133; Middlesbrough iron, 51s. The Committee are prepared to fix prices for other metal-exchange contracts on application being made to them."

New Issues.

ANGLO-FRENCH OILFIELDS, LIMITED.

A SOMEWHAT impudent attempt has been made this week to exploit the war crisis and the sound advice that has been given to the public in connection therewith by an endeavour to rake in subscriptions from the public for a concern calling itself the Anglo-French Oilfields, Limited. The Company is formed with a capital of £150,000 in 5s. shares for the purpose of acquiring a piece of land of nearly 250 acres situated in Oran, Algeria, and developing it as an oil property. The public have been asked to subscribe for 200,000 shares at par. We are unable to criticise the Company fully, inasmuch as up to the present it has refused all applications that we have made for a copy of the prospectus, and our remarks are based on the abridged prospectus published in our daily contemporaries. From this it does not appear that any attempt has been made to prove the property. A great deal is made of the possibilities of Algeria as an oil-producing country, all of which may be perfectly true but necessarily has no direct bearing on the proposition of the Anglo-French Oilfields. The absurd nature of the proposition, moreover, may be gauged from the fact that it is estimated that the Company will secure sufficient profits to pay a dividend of over 50 per cent. on the capital. If the directors, who are described respectively as "engineer," "merchant," and "accountant," whose names we do not recognise as having had any experience in oil matters, are possessed of a property capable of yielding such results, it is rather surprising that they should be so philanthropic as to be willing to share these profits with the public. The whole thing is a sheer gamble and has no attractions for even the most speculative of investors.

ALASKA MEXICAN.—Capital \$900,000, in \$5 shares. Milling results have been as follows:—

Year	Ore	Gold Yield	Total	Net Profit	London
ends	Milled	£	Working Costs	£	Price of
Dec. 31	Tons	Per Ton	£	Per Ton	Share
1912 ...	234,293	135,821	73,753	62,071	2½
1913 ...	222,112	95,182	63,573	31,609	1½
1914.					
Mar. qr.	51,234	25,000	18,892	6,108	1½
June qr.	60,460	25,474	15,472	10,002	1½
July ...	19,800	7,900	4,400	3,200	1½

Dividends—1910, 38 per cent.; 1911, 14 per cent.; 1912, 25 per cent.; 1913, 2½ per cent.; 1914, Feb., 4 per cent.; May, 4; August, 4 per cent.

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- „ 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain.
- Proposals accepted by France and Italy.
- „ 28. Austria-Hungary declares war against Serbia.
- „ 30. Partial mobilisation in Russia.
- Bank of England rate 4 per cent.
- „ 31. General mobilisation in Russia.
- Germany declares state of war.
- Italian declaration of neutrality.
- Bank of England rate 8 per cent.
- Aug. 1. Germany declares war against Russia, also invades Luxemburg.
- Bank of England rate 10 per cent.
- „ 3. Sir E. Grey in House of Commons explains British attitude. British Fleet mobilised.
- German ultimatum to Belgium.
- „ 4. British ultimatum to Germany demanding assurance that the neutrality of Belgium be respected.
- Mobilisation of British Army.
- War declared between Great Britain and Germany.
- British Government undertakes insurance of British shipping during war.
- „ 5. Lord Kitchener appointed Minister of War.
- Attack upon Liège by German corps repulsed.
- British Colonies and Indian Princes proffer aid to the Home Government.
- Roumania to remain neutral.
- „ 6. Mr. Asquith moves in the House of Commons a vote of credit for 100 millions. Army to be increased by half a million of men.
- General moratorium in force to September 4.
- Maximum prices for staple articles of food fixed by Cabinet Committee on Food Supplies.
- All British ships available placed on naval service.
- Recruitment of additional 100,000 men for British Army commences. Territorials called up.
- Austria-Hungary declares war against Russia.
- „ 7. Bank of England rate reduced to 6 per cent.
- Government rate of war insurance reduced to 4 guineas per cent.
- German Commander attacking Liège asks for armistice for 24 hours.
- „ 8. French force occupies Mulhausen. Inhabitants of Alsace welcome French troops enthusiastically.
- Japanese Fleet puts to sea.
- German Togoland seized by British without resistance.
- Bank of England rate reduced to 5 per cent.
- „ 10. France declares war on Austria-Hungary.
- Germans entering City of Liège. Forts still intact.
- French troops reported in Colmar.
- Portugal declares shall join England.
- Montenegro casts in her lot with Serbia.
- „ 11. German army mainly to be thrown against France through Belgium.
- German force opposed to French and Belgians estimated at a million.
- „ 12. British Declaration of War against Austria.
- German war vessels *Goeben* and *Breslau* seek refuge in the Dardanelles.
- „ 13. Government guarantees bills of exchange discounted at the Bank of England.
- Measures being arranged for holding gold in Canada, Australia, and South Africa, for account of the Bank of England.
- „ 17. Japanese ultimatum to Germany; answer required by 23rd.
- Greece protests against Turkish movements.
- „ 18. Admission officially of landing of British Expeditionary force on Continent.
- „ 19. Advance in force of Germans in Belgium and of Russians westward.
- „ 20. Continental Bank rate reductions: France 6 to 5, Holland 6 to 5.
- „ 21. German occupation of Brussels.

ALASKA TREADWELL.—Capital \$5,000,000, in \$25 shares. Milling results have been as follows:—

Yr. ends	Ore	Gold Yield	Total Working	Net Mining	London
Dec. 31	Milled	£	Costs	Profit	Price of
	Tons	Per Ton	£	£	Share
1912 ...	892,192	441,177	214,461	226,716	5/1
1913 ...	886,057	471,684	222,104	249,575	5/8
1914.					7½
Mar. qr.	215,377	114,643	43,299	70,744	6/6
June qr.	243,681	117,653	51,680	65,973	5/5
July ...	£1,000	45,000	18,200	26,800	6/7

* Including construction expenditure.

Dividends per cent.—1912, Feb., 3; May, 3; Aug., 3; Nov., 4; total 13. 1913, Feb., 4; May, 4; Aug., 4; Nov., 4; Dec., 4 (bo us). 1914, Feb., 4; May, 4; August, 4 per cent.

CANADIAN PACIFIC RAILWAY COMPANY

THIRTY-THIRD ANNUAL REPORT—FOR THE YEAR ENDED JUNE 30, 1914.

To the Shareholders:

The accounts of the Company for the year ended June 30, 1914, show the following results:—

Gross earnings	...	...	...	...	...	\$129,814,823 83
Working expenses	...	...	...	...	...	87,388,896 15
Net earnings	...	...	...	...	...	\$42,425,927 68
Deduct fixed charges	...	...	...	...	...	10,227,311 17
Surplus	...	...	...	...	...	\$32,198,616 51
Contribution to Pension Fund	...	...	...	...	...	125,000 00
						\$32,073,616 51
Deduct net earnings of Pacific Coast Steamships, Commercial Telegraph, and News Department, transferred to Special Income Account	...	...	...	...	...	2,115,842 15
						\$29,957,774 36
From this there has been charged a half-yearly dividend on Preference Stock of 2%, paid April 1, 1914	...	...	...	...	...	\$1,545,026 80
And three-quarterly dividends on Ordinary Stock of 1½% each, paid January 2, 1914, April 1, 1914, and June 30, 1914	...	...	...	...	...	12,600,000 00
						14,145,026 80
						\$15,812,747 56
From this there has been declared a second half-yearly dividend on Preference Stock, payable October 1, 1914	...	...	...	...	...	\$1,564,493 46
And a fourth quarterly dividend on Ordinary Stock of 1½ per cent., payable Oct. 1, 1914	...	...	...	...	...	4,550,000 00
						6,114,493 46
Leaving net surplus for the year	...	...	...	...	...	\$9,698,254 10
In addition to the above dividends on Ordinary Stock, 3 per cent. was paid from Special Income.	...	...	...	...	...
SPECIAL INCOME FOR YEAR ENDED JUNE 30, 1914.						
Balance at June 30, 1913	...	...	...	...	...	\$3,358,941 93
Less Dividend paid October 1, 1913	...	...	...	...	...	1,500,000 00
						\$1,858,941 93
Interest on Proceeds Land Sales to October 31, 1913	...	...	...	...	...	492,136 05
Interest on Deposits and Loans	...	...	...	...	...	1,139,461 48
Interest from Minneapolis, St. Paul & Sault Ste. Marie Ry. Bonds	...	...	...	...	...	153,720 00
Interest from Mineral Range Ry. Bonds	...	...	...	...	...	50,180 00
Interest from Toronto, Hamilton & Buffalo Ry. Bonds	...	...	...	...	...	10,840 00
Interest from Dominion Government Bonds for half year	...	...	...	...	...	91,250 00
Interest from Ontario Government Bonds for half year	...	...	...	...	...	24,000 00
Interest from British Consols for half year	...	...	...	...	...	27,284 72
Interest from Montreal & Atlantic Ry. Bonds, and on other Securities	...	...	...	...	...	348,472 18
Interest from Berlin, Waterloo, Wellesley & Lake Huron Ry. Bonds	...	...	...	...	...	17,040 00
Interest from St. John Bridge & Ry. Extension Co. Bonds	...	...	...	...	...	5,437 50
Interest from Esquimalt & Nanaimo Ry. Bonds	...	...	...	...	...	193,280 00
Interest from Dominion Atlantic Ry. Extension Debenture Stock	...	...	...	...	...	50,068 27
Interest from Dominion Atlantic Ry. 2nd Debenture Stock	...	...	...	...	...	39,968 67
Dividend on Esquimalt & Nanaimo Ry. Stock	...	...	...	...	...	125,000 00
Dividend on St. John Bridge & Ry. Extension Co. Stock	...	...	...	...	...	70,000 00
Dividends on Dominion Express Co. Stock	...	...	...	...	...	200,000 00
Dividends on Minneapolis, St. Paul & S.S.M. Ry. Common Stock	...	...	...	...	...	890,615 00
Dividends on Minneapolis, St. Paul & S.S.M. Ry. Preferred Stock	...	...	...	...	...	445,326 00
Dividends on West Kootenay Power & Light Co. Common Stock	...	...	...	...	...	52,250 00
Dividends on West Kootenay Power & Light Co. Preferred Stock	...	...	...	...	...	3,850 00
Dividends on Toronto, Hamilton & Buffalo Ry. Stock	...	...	...	...	...	57,012 00
Dividends on Consolidated Mining & Smelting Co. Stock	...	...	...	...	...	140,912 00
Dividend on Berlin, Waterloo, Wellesley & Lake Huron Ry. Stock	...	...	...	...	...	12,500 00
Earnings from Ocean Steamships	...	...	...	...	...	783,677 93
Revenue from Company's interest in Coal Mine Properties	...	...	...	...	...	294,857 17
Cash Proceeds from Townsite Sales	...	...	...	...	...	550,303 49
Net Earnings of Pacific Coast Steamships, Commercial Telegraph, News Department and Hotels	...	...	...	...	...	2,134,255 21
Received for space rented in Office Buildings	...	...	...	...	...	151,144 86
						\$10,446,812 46
Less Payments to Shareholders in dividends: Jan. 2, 1914, Apr. 1, 1914, and June 30, 1914	...	...	...	...	...	5,400,000 00
						\$5,046,812 46
From this a dividend has been declared, payable Oct. 1, 1914	...	...	...	...	...	1,950,000 00

The working expenses for the year amounted to 67.32 per cent. of the gross earnings, and the net earnings to 32.68 per cent., as compared with 66.82 and 33.18 per cent. respectively in 1913.

Four per Cent. Consolidated Debenture Stock to the amount of £2,065,119 was created and sold, and of the proceeds the sum of £239,000 was applied to the construction of authorised branch lines, and £1,826,119 was devoted to the acquisition of the securities of other railway companies whose lines constitute a portion of your system, the interest on which had, with your sanction, been guaranteed by your Company.

Four per Cent. Preference Stock to the amount of £800,000 was created and sold for the purpose of meeting capital expenditures that had previously been sanctioned by you.

Your guarantee of interest was endorsed on the Four per Cent. Consolidated Bonds of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, to the amount of \$1,947,000 issued and sold to cover the cost of 97.35 miles of railway added to that Company's system.

During the year 259,371 acres of agricultural land were sold for \$4,618,420, being an average of \$17.80 per acre. Included in this area there were 6,318 acres of irrigated land which brought \$66.95 per acre, so that the average price of the balance was \$16.57 per acre.

To give effect to an agreement with the City of Toronto,

and to an order of the Board of Railway Commissioners requiring the railway companies to provide a Union Passenger Station and Joint Terminals commensurate with the passenger traffic of the city, and to eliminate grade crossings by the elevation of their tracks in the Joint Terminals on the water front, the Toronto Terminals Railway Company has been organised with the sanction of Parliament, and a contract has been made between your Company, the Grand Trunk Railway Company of Canada, and the Toronto Terminals Railway Company, for the construction and operation of the Union Passenger Station and Terminals, which fixes the rental to be paid by each Company for the use of the facilities at 5 per cent. per annum on one-half the amount of the Terminals Railway Company securities outstanding at any time, provides for the joint and several guarantee by your Company and the Grand Trunk Railway Company of Canada of the payment both as to principal and interest of the said securities, and establishes the basis on which the expense of operating the station and terminals shall be divided between the companies. The Dominion Government and the City of Toronto will participate in the expense of carrying out these works on a basis to be determined by agreement between the parties, or to be settled by the Railway Commissioners of Canada, but it is estimated that the portion of the cost to be borne by the Terminals Company will be approximately \$12,000,000. The contract will be submitted for your consideration and approval.

An agreement has been reached between the Kettle Valley Railway Company and the Vancouver, Victoria and Eastern Railway Company, covering the use, by the latter company for its trains, of the Kettle Valley line between Otter Summit and Hope, a distance of about 54 miles, and for the like use by the Kettle Valley Company of the Vancouver, Victoria and Eastern Company's line between Princeton and Otter Summit, a distance of about 38 miles, all in British Columbia. In each case the lessee undertakes to pay a rental equal to two and one-half per cent. per annum on the cost of the other company's line used in common, and its proportion of the cost of maintenance. By this means the unnecessary duplication of 92 miles of railway through a difficult country is avoided. Inasmuch as the Kettle Valley Railway Company has been leased to your company, your consent is required to make the arrangement effective, and, therefore, the agreement will be submitted for your sanction.

A lease for 999 years of the Lake Erie & Northern Railway, extending from Port Dover on Lake Erie through Simcoe, Waterford, Brantford, and Paris, in Ontario, to a connection with your railway at Galt, a distance of approximately 51 miles, at an annual rental equivalent to the interest on bonds issued or to be issued by the Lake Erie and Northern Railway Company with the consent of your Company, will be submitted for your approval. This line will provide access to territory that is not now served by your railway, and will at a later stage be equipped for operation by electricity, in connection with your Galt, Berlin and Waterloo branch.

There will be submitted for your consideration and approval a lease of the Southampton Railway from a point on the Gibson Branch of this Company's railway between Millville Station and the Railway Bridge Crossing the North-east Nackawick Stream to a point in the vicinity of the Pokiak Bridge in the County of York, all in the Province of New Brunswick, a distance of approximately 13 miles, for a term of ninety-nine years, on the basis of a rental of forty per cent. of the gross earnings as defined in the said proposed lease; a lease of that portion of the Fredericton and Grand Lake Coal and Railway from a point on the Intercolonial Railway at or near Gibson, in the County of York, to a point at or near Minto, in the County of Sunbury, to connect with the present line of the New Brunswick Coal and Railway, a distance of approximately 31 miles, for a term of nine hundred and ninety-nine years, on the basis of a rental of forty per cent. on the gross earnings as defined in the said proposed lease; and a lease from the Glangarry and Stormont Railway Company of the whole of the Railway which that Company has been by law authorised to construct, whether constructed or to be constructed, from a point on this Company's railway at or near the station known as St. Polycarpe Junction, in the County of Soulanges in the Province of Quebec, to the Town of Cornwall, in the County of Stormont, in the Province of Ontario, a distance of approximately 27 miles, together with the appurtenances of the said railway, for a term of ninety-nine years from the date of completion of the said railway, on the basis of a rental of forty per cent. of the gross earnings and other terms more fully set out in the said proposed lease.

The capital expenditure of over \$60,000,000 for cars and locomotives in the years 1910-1913 was so very large that your Directors decided that it would be proper to spread

the payments for this year's deliveries, about \$14,000,000, over a period of 15 years, under the terms of an ordinary Equipment Trust Agreement, and, therefore, a contract was made with the Victoria Rolling Stock and Realty Company to provide the equipment and receive payment in 15 annual instalments, with interest at four and one-half per cent. per annum. All of the equipment has been delivered, and the cost has been advanced by your Company pending the sale of the Rolling Stock Company's bonds, when your Treasury will be recouped.

The accounts for the year show that \$35,571,959.97 had been advanced from your current funds to meet the cost of additional railway mileage and ocean steamers against which no securities have been issued or sold. In ordinary course, Four per Cent. Consolidated Debenture Stock would have been utilised to meet this expenditure, but market conditions were not favourable to the sale of this security in large amounts without unduly depressing the market price.

In these circumstances your Directors decided to create a Special Investment Fund composed of the deferred payments on land sold, and securities in which land funds had been invested, to the amount of \$55,000,000, and to issue against this fund and the Company's credit ten-year Note Certificates to the amount of \$52,000,000, carrying interest at the rate of 6 per cent. per annum, to be offered to the shareholders at 80 per cent. of their face value, thus providing all the money required for the present purposes of the Company, and at the same time giving the Shareholders participation in the proceeds of land sales to the amount of about \$10,000,000.

The issue was entirely successful. The Note Certificates, with interest, will be paid off in instalments without any encroachment on your revenue from traffic, and the Four per Cent. Consolidated Debenture Stock can be marketed in such amounts and at such times as may be most advantageous.

Since the close of the last fiscal year First Mortgage Five per Cent. Bonds to the amount of only £64,700, or \$314,873.33, have been taken up and cancelled, because the holders were unwilling to surrender their bonds at a premium satisfactory to your Directors. The outstanding Bonds, amounting to £2,638,900, or \$12,842,646.67, will mature July 1, 1915, and on or before that date they will be paid off and cancelled with funds set aside for the purpose.

As mentioned in the notice to Shareholders, the Annual General meeting will be made Special for the purpose of authorising, if approved, an increase of the Company's Ordinary Capital Stock by the amount of \$75,000,000, namely, from \$260,000,000 to \$335,000,000, in order to make it accord with the amount for which the Company has the sanction of Government. Although with the curtailment of capital expenditure no necessity exists for issuing any additional Ordinary Stock at this time, and there will be no resumption of works requiring any large amount of money until a decided improvement in business conditions furnishes ample warrant, your Directors are convinced of the prudence of making provision at this time for your capital requirements covering a considerable period in the future. No portion of this increased amount will, of course, be issued by the Directors until the sanction of the Shareholders has been obtained at a Special General Meeting called for the purpose.

The death in January last of the Right Hon. Lord Strathcona and Mount Royal, G.C.M.G., was a source of sincere sorrow to your Directors. Lord Strathcona was one of the prominent founders of the Company, and he remained a member of the Board of Directors until the time of his death.

As foreshadowed at the last Annual Meeting, the General Balance Sheet has been recast so as to show in more specific form the active and inactive assets of the Company. In the schedule of these assets which appears in the Annual Report the estimated value per acre of the unsold agricultural lands has been placed at lower figures than had been mentioned, in order that it might be quite on the safe side, but your Directors and the Officers of the Land Department are satisfied that your unsold lands will eventually command much higher average prices per acre than those given in the schedule.

The values fixed for townsites and other lands and properties available for sale are on a conservative basis, and the active assets taken into the schedule at cost could be readily disposed of at figures very much higher than those given.

Some years ago, for the purpose of securing access to the State of Washington and other important territory in the North Western United States, the Company entered into a working arrangement with the Spokane International Railway Company, extending from Kingsgate, on the line of your railway in British Columbia, to Spokane, Washington, a distance of 141 miles, with branch lines 22 miles in length. The volume of traffic secured to your lines by this connection has become so important that a more permanent arrangement is very desirable. Your Directors have not as yet decided whether this could be best accomplished by the acquisition of the Capital Stock of the Spokane International Railway Company, by a guarantee of interest on its bonds, or by some other means, and therefore they will ask your authority to exercise their discretion in carrying out

such a transaction for closer and more permanent relations with the Spokane International Railway Company as may appear to be most desirable in your interest.

The net revenue of the Commercial Telegraph System, Pacific Coast Steamers, and News Department, that in previous years has been incorporated in the revenue of the railway, is deducted from the surplus shown in the Revenue Statement this year and transferred to Special Income Account.

The under mentioned Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election: Sir Thomas G. Shaughnessy, K.C.V.O., Sir Thomas Skinner, Bart.

For the Directors,
T. G. SHAUGHNESSY, *President*.

Montreal, August 10th, 1914.

GENERAL BALANCE SHEET, JUNE 30, 1914.

ASSETS.	
Property Investment:	
Railway	\$338,084,064 89
Rolling Stock Equipment	153,256,394 79
Ocean, Lake, and River Steamships	24,171,162 30
	\$515,511,621 98
Acquired Securities (Cost):	
Schedule "A"	107,867,740 63
Advances to Lines and Steamships under Construction	35,571,959 97
Advances and Investments	12,330,195 22
Deferred payments on Lands and Townsite Sales	4,140,413 83
*Special Investment Fund:	
Deferred payments on Land and Townsites	\$42,666,510 87
Government Securities	10,083,734 86
Deposited with Trustee	3,790,225 53
	56,545,471 26
Working Assets:	
Material and Supplies on Hand	\$17,686,235 53
Agents and Conductors Balances	2,221,350 07
Net Traffic Balances	533,996 70
Miscellaneous Accounts Receivable	10,511,665 82
Cash in hand	36,777,725 02
	68,730,973 14
Other Assets:	
Schedule "B"	133,022,494 74
	\$933,720,870 77
* Security for issue of Note Certificates, \$52,000,000.	

LIABILITIES.	
Capital Stock:	
Ordinary Stock	\$260,000,000 00
Four Per Cent. Preference Stock	78,224,673 03
	\$338,224,673 03
Four Per Cent. Consolidated Deb. Stock	173,307,470 09
Mortgage Bonds:	
Canadian Pacific Ry. 1st Mort. 5 per cent.	\$12,842,646 67
Algoma Branch 1st Mortgage 5 per cent.	3,650,000 00
	16,492,646 67
Note Certificates 6 per cent.	52,000,000 00
Premium on Ordinary Capital Stock sold	45,000,000 00
Current:	
Audited vouchers	\$7,809,598 58
Pay rolls	5,177,754 16
Miscellaneous accounts payable	9,048,037 42
	22,035,390 16
Accrued:	
Coupons due July 1, 1914, and including coupons overdue not presented	\$757,204 67
Rentals of leased lines	189,810 72
	947,015 39
Equipment Obligations	14,350,000 00
Less Victoria Rolling Stock and Realty Co. Bonds on hand	13,630,000 00
	720,000 00
Reserves and Appropriations:	
Equipment replacement	2,491,518 64
Steamship replacement	6,682,068 87
Reserve fund for contingencies	2,053,942 12
	11,257,529 63
Net proceeds, lands and townsites	66,771,271 19
Surplus revenue from operation	79,711,091 66
Surplus in other assets	127,253,782 95
	\$933,720,870 77

Auditors' Certificate.—We have examined the Books and Records of the Canadian Pacific Railway Co. for the fiscal year ending June 30, 1914, and having compared the annexed Balance Sheet and Income Account therewith, we certify that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company at that date, and that the relative Income Account for the year is correct.

PRICE, WATERHOUSE & CO., Chartered Accountants (England).
Montreal, Aug. 8, 1914.

FIXED CHARGES FOR YEAR ENDED JUNE 30, 1914.

\$2,641,900	1st Mortgage Bonds 5% due July 1, 1915	\$642,862 30
\$200,000	St. Law. & Ottawa Ry. 4% 1st Mt. Bonds	38,933 24
\$2,544,000	Man. S.W. Col. Ry. 1st Mt. 5% Bonds, due June 1, 1934	127,200 00
\$4,007,381 15/3	Ontario & Quebec Ry. Debenture Stock 5%	975,129 56
\$2,000,000	Ontario & Quebec Ry. Ordinary Stock 6%	120,000 00
\$1,330,000	Atl. & Nor. West. Ry. 1st Mt. Bds., due Jan. 1, 1937	323,633 34
\$750,000	Algoma Branch 5% 1st Mt. Bds., due July 1, 1937	182,500 00
\$500,000	New Brunswick South. Ry. 1st Mt. Bds., 3%	15,000 00
\$500,000	Lindsay, Bobcaygeon & Pontypool Ry. 1st Mort. Bonds, 4%	20,000 00
\$256,800	Shuswap & Okanagan Ry. 1st Mt. Bds., 4%	49,990 40
	Rentals	867,047 92
	Interest on Montreal & Western Ry.	14,027 75
	Interest on Equipment Obligations	45,466 67
	4% Consolidated Debenture Stock:	
\$233,546,005	Interest from July 1, 1913	\$6,694,741 04
\$1,220,331	Interest from Jan. 1, 1914	118,778 85
		\$6,813,519 89
	Less received from subsidy N. Colonisation Ry.	8,000 00
		6,805,519 89
		\$10,227,311 17

INVENTORY JUNE 30, 1914, OF THE ACTIVE AND INACTIVE ASSETS OF THE COMPANY, AS SHOWN IN THE GENERAL BALANCE SHEET.

ACTIVE ASSETS.

26,190 Shares Con. Mining & Smelting Co. Stock, cost ...	712,273 32
11,000 Shares West Kootenay Power & Light Co., Com. Stock ...	cost 517,403 25
550 Shares West Kootenay Power & Light Co., Pref. Stock ...	
Hull Electric Railway Company, cost to date ...	1,067,602 17
Co.'s Collieries in Alberta and British Columbia, and Company's interest in other producing coal mines ...	2,500,000 00

INACTIVE ASSETS CONSISTING OF UNSOLD LANDS AND OTHER PROPERTIES.

Surplus lands and buildings available for sale in the Provinces of New Brunswick, Quebec, Ontario, Manitoba and British Columbia, representing mainly those purchased in excess of the requirements when securing right of way, station grounds and shop sites, as being more economical than a resort to condemnation proceedings ...	2,390,360 00
Acres ...	
Manitoba: Agricultural lands ...	217,368 at \$10 00
Saskatchewan: Agricultural lands ...	2,173,765 at \$13 00
Alberta: Agricultural lands ...	3,340,262 at \$13 00
A. B. & L. (500,000 acre tract, under agreement with Government) ...	64,099 at \$5 00
Alberta: Irrigated lands:	
Western section ...	34,818 at \$25 00
Eastern section ...	421,387 at \$40 00
A. B. & L. section ...	29,810 at \$40 00
Land reserved in irrigation blocks for right of way & operating purposes	57,357 at \$13 00
Demonstration Farms: Strathmore ...	745,641 00
Tilley ...	75,000 00
Brooks ...	15,000 00
Cassella ...	5,000 00
Lathom ...	5,000 00
Mixed farms (12) ...	108,000 00
Timber Lands and Mills: Timber and Tie reserve in British Columbia ...	560,484 at \$4 00
A. B. & L. Timber limit in Alberta ...	45,000 at \$1 50
Bull River Mill and Improvements ...	100,000 00
British Columbia: Columbia & Kootenay Lands ...	15,809 at \$2 00
Unsold portion of Esquimalt & Nanaimo Land Grant ...	1,097,480
Unsold Lands in Townsites:	
Subdivided sites in Manitoba, Saskatchewan and Alberta ...	7,500,000 00
Unsubdivided land adjoining Town Plots in Manitoba, Saskatchewan and Alberta ...	137,868
Unsold lots in British Columbia, including Vancouver ...	4,500,000 00
Unsubdivided land adjoining Townsites in British Columbia, including Vancouver ...	6,000,000 00
Northern Colonization Railway Land Grant in Quebec ...	96,000
Coal Lands:	
3,000,000 acres of coalright reserved under land sold and unsold in Alberta, to be developed on a royalty basis ...	1 00
46,933 acres of coal land in British Columbia ...	at \$10 00
Iron property in British Columbia ...	25,000 00
Natural Gas:	
Rights reserved in 100,000 acres of land sold and unsold in Alberta. (Revenue from area under lease to June 30, \$46,002 84) ...	1 00
Petroleum Rights:	
Rights reserved in 50,000 acres of land sold and unsold in Alberta, to be developed on a royalty basis ...	1 00
Improved Farms:	
Buildings and improvements on improved (ready-made) farms Saskatchewan, Alberta, and British Columbia; investment being repaid with land instalments with interest at 6% ...	1,364,105 6
Loan Farms:	
Buildings and improvements on loan farms; investment being repaid with land instalments with interest at 6% ...	214,492 80
Live Stock:	
Live Stock (horses, cattle, sheep and swine) advanced to farmers having land contracts with Company, on security lien notes ...	186,283 24
Total ...	8,291,007
	\$133,022,494 74

EXPENDITURE ON ADDITIONS AND IMPROVEMENTS FROM JULY 1, 1913, TO JUNE 30, 1914.

Eastern Lines:	
Additional Sidings, Buildings, Stations and Yards ...	\$664,882 11
Permanent Bridges and Improvements of Line ...	1,164,100 35
Double Tracking ...	4,045,223 88
Right of Way ...	7,127 46
	\$5,881,333 80
Montreal Terminals ...	800,847 90
Windsor St. Station Extension ...	391,771 73
Double Track Bridge over St. Lawrence River ...	128,923 20
Western Lines:	
Additional Sidings, Buildings, Stations and Yards ...	\$1,320,064 58
Permanent Bridges and Improvements of Line ...	548,176 83
Port William Terminals, including Coaling Plant ...	1,007,816 09
East Winnipeg Yard ...	1,456,849 78
Winnipeg New Elevator ...	203,178 78
Winnipeg Station and Hotel ...	1,255,926 24
Calgary Hotel ...	1,289,923 92
Vancouver Terminals ...	1,760,041 33
Double Tracking ...	7,549,677 45
Right of Way ...	8,993 04
	16,409,648 04
Additions to Office Buildings and Hotels ...	1,776,268 64
Rented and Temporary Sidings ...	317,075 47
Telegraph Extensions and Additions ...	95,403 56
	\$36,891,272 84

EARNINGS, YEAR ENDED JUNE 30, 1914.

From Passengers ...	\$32,478,146 58
" Freight ...	81,135,295 12
" Mails ...	1,132,714 91
" Sleeping Cars, Express, Telegraph and Miscellaneous ...	15,068,667 22

Total ... \$129,814,823 83

WORKING EXPENSES, YEAR TO JUNE 30, 1914.

Transportation Expenses ...	\$12,250,286 37
Maintenance of Way and Structures ...	16,426,582 05
Maintenance of Equipment ...	16,617,247 21
Traffic Expenses ...	3,626,612 08
Parlor and Sleeping Car Expenses ...	1,348,979 47
Expenses of Lake and River Steamers ...	1,183,397 40
General Expenses ...	4,322,103 93
Commercial Telegraph ...	1,613,687 64

Total ... \$57,368,896 15

SURPLUS INCOME ACCOUNT, June 30, 1914.

Balance at June 30, 1913 ...	\$77,597,100 36
Net earnings of railway ...	\$29,957,771 36
Special income ...	8,587,870 53

33,545,644 89

Less: Dividends on Preference Stock paid

October 1, 1913, and April 1, 1914 ... 3,031,653 59

Dividends on Ordinary Stock paid October

1, 1913, Jan. 2, 1914, April 1, 1914, and

June 30, 1914 ... 23,000,000 00

Discount on issue of \$2,000,000 Six per

Cent. Note Certificates ... 10,400,000 00

26,431,653 59

\$73,711,091 66

From this there have been declared the dividends on Preference and Ordinary Stock payable Oct. 1, 1914, amounting to

8,064,493 46

DESCRIPTION OF FREIGHT FORWARDED.

Year ended June 30

	1912.	1913.	1914.
Flour (barrels) ...	8,459,850	8,093,936	8,802,269
Grain (bushels) ...	151,731,691	171,952,738	184,984,241
Live stock (head) ...	1,663,315	1,782,986	2,481,360
Lumber (feet) ...	2,806,735,006	3,210,306,090	2,953,125,099
Firewood (cords) ...	305,079	293,536	287,916
Manufactured articles (tons) ...	7,196,225	9,519,346	8,148,012
All other articles (tons) ...	9,092,821	9,625,665	9,159,112

FREIGHT TRAFFIC.

Number of tons carried ...	25,940,938	29,471,814	27,801,217
Number of tons carried one mile ...	10,391,650,965	11,470,901,871	10,821,748,989
Earnings per ton per mile ...	0.77 Cent	0.77 Cent	0.75 Cent

PASSENGER TRAFFIC.

Number of passengers carried ...	13,751,516	15,480,934	15,638,312
Number of passengers carried one mile ...	1,626,577,067	1,784,083,370	1,587,368,110
Earnings per passenger per mile ...	1.96 Cents	1.99 Cents	2.06 Cents

TRAIN TRAFFIC STATISTICS.

EARNINGS OF LAKE AND RIVER STEAMERS NOT INCLUDED IN THIS STATEMENT

Inc. or Dec.*

Amount Per

No. Cent.

—Year ended, June 30,—

1914. 1913.

Train Mileage—Pass. trains 21,523,630 | 22,333,592 | 809,962 | 3.67 |

Freight trains ... 24,164,242 | 27,611,103 | 3,446,861 | 12.45 |

Mixed trains ... 1,890,364 | 1,888,095 | 2,269 | .12 |

Total trains ... 47,578,236 | 51,832,790 | 4,254,554 | 8.1 |

Passenger-Car Mileage— | | | |

Coaches & P.D.&S. cars 106,852,513 | 110,347,064 | 3,494,551 | 3.17 |

Combination cars ... 2,904,782 | 3,206,048 | 301,266 | 9.40 |

Baggage, mail & express cars 47,355,003 | 46,677,110 | 677,899 | 1.45 |

Total passenger cars ... 157,112,304 | 160,230,222 | 3,177,916 | 1.95 |

Freight—Loaded ... 526,194,125 | 541,397,255 | 55,203,160 | 9.49 |

Empty ... 169,768,349 | 163,627,992 | 4,140,357 | 2.50 |

Caboose ... 26,196,664 | 30,617,973 | 4,421,311 | 14.44 |

Total freight cars ... 722,159,138 | 777,643,232 | 55,484,144 | 7.13 |

Pass. cars per traffic train mile 6.71 | 6.62 | 1.09 | 1.36 |

Freight cars per traffic train mile 27.72 | 26.36 | 1.36 | 5.16 |

Passenger Traffic— | | | |

Pass. carried (earning rev.) 15,442,849 | 15,298,048 | 151,801 | .99 |

Do. do. 1 mile ... 1,570,758,210 | 1,766,982,013 | 196,223,803 | 11.11 |

Do. do. 1 mile per mile of road 132,825 | 155,451 | 22,626 | 14.56 |

Av. journey per pass. (miles) 101.67 | 115.51 | 13.84 | 11.98 |

Av. amt. received per pass. \$2.06 | 2.28 | .22 | 9.65 |

Av. amount received per | | | |

pass. mile ... Cts. 2.03 | 1.97 | .06 | 3.05 |

Av. no. of pass. per train mile 67.09 | 72.95 | 5.85 | 8.35 |

Av. No. of pass. per car mile 14.31 | 15.36 | 1.05 | 8.03 |

Rev. from pass. per pass. | | | |

car mile ... Cts. 29.05 | 30.72 | 1.67 | 5.44 |

Total passenger train earnings | | | |

per train mile ... 1.69 | 1.75 | .06 | 3.43 |

Total pass. train earnings | | | |

per mile of road ... \$3,345.11 | 3,724.92 | 379.81 | 10.20 |

Freight Traffic— | | | |

Tons of rev. freight carried | | | |

one mile ... 10,601,426,321 | 11,242,690,998 | 641,264,677 | 5.70 |

Tons non-rev. freight carried | | | |

one mile ... 1,497,306,040 | 1,743,928,157 | 246,622,111 | 14.84 |

Total tons (all classes) fr't. | | | |

carried one mile ... 12,098,732,367 | 12,986,619,155 | 887,886,788 | 6.84 |

Tons of rev. fr't. carried one | | | |

mile per mile of road ... 896,470 | 989,081 | 92,611 | 9.36 |

Tons non-rev. fr't. carried | | | |

one mile per mile of road 129,614 | 153,423 | 26,809 | 17.47 |

Total tons (all classes) fr't. | | | |

carried 1 mile per mile road 1,023,084 | 1,142,504 | 119,420 | 10.45 |

Av. amt. received per ton | | | |

per mile of rev. freight Cts. 0.753 | 0.781 | .027 | 3.95 |

Av. No. of tons of rev. fr't. | | | |

per train mile ... 409.89 | 381.12 | 28.77 | 6.76 |

Av. No. of tons of non-rev. | | | |

fr't. per train mile ... 57.47 | 59.12 | 1.65 | 2.79 |

Av. No. of tons (all classes) | | | |

fr't. per train mile 461.36 | 440.24 | 24.12 | 5.48 |

Av. No. of tons of rev. fr't. | | | |

per loaded car mile ... 20.15 | 19.34 | .81 | 4.19 |

Av. No. of tons of non-rev. | | | |

fr't. per loaded car mile 2.54 | 3.00 | .46 | 5.33 |

Av. No. of tons (all classes) | | | |

fr't. per loaded car mile 22.69 | 22.34 | .35 | 2.81 |

Fr't. train earnings per | | | |

loaded car mile ... Cts. 15.17 | 15.15 | .02 | .13 |

Fr't. train earnings per train mile \$3.06 | 2.99 | .07 | 2.34 |

Fr't.-train earn. per mile of road \$6,749.41 | 7,750.78 | 1,001.37 | 12.91 |

Decreases are shown by italic figures.

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K. TATSUMI, Manager.

London Office—

7 Bishopsgate, E.C.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED. (Registered in the Transvaal.)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Shareholders of the above Bank will be held in the Board Room of the Bank Buildings, Pretoria, Transvaal, on Tuesday, the 28th September, 1914, at 3 o'clock P.M., to consider and, if approved, pass the following Resolutions:—

(1) "That the Capital of the Bank be increased to £3,000,000 (three million pounds) by the creation of 65,000 (sixty-five thousand) Shares of £10 (ten pounds) each, to be issued in such manner and upon such terms as the Directors shall from time to time determine."
The increase of capital in respect to £500,000 (five hundred thousand pounds) is necessitated in view of the proposed purchase by this Bank of the undertaking and assets of the Natal Bank, Limited. A provisional agreement for purchase has been entered into, subject to confirmation by the Shareholders in the last-named Bank at a General Meeting to be held on 28th September, 1914. In terms of the foregoing, 50,000 (fifty thousand) of these new Shares will be placed at the disposal of the Natal Bank, Limited, for distribution among its shareholders. It is not contemplated to issue the balance of 15,000 (fifteen thousand) Shares out of the 65,000 (sixty-five thousand) Shares now in question, but the Directors ask Shareholders to give power to create these additional Shares in case of the necessity arising in the future to utilise further capital, and thus avoid again calling Shareholders together for this purpose.

(2) "That Clause 67 of the Articles of Association be and is hereby altered and amended by substituting the word 'fifteen' for the word 'eleven' in line 2 thereof."

(3) "That Clause 77 of the Articles of Association be and is hereby cancelled, and that the following be and is hereby substituted in place thereof:—

'At the first Ordinary General Meeting to be held in each year one-third of the Directors for the time being, or if their number is not a multiple of three then the number nearest to one-third, shall retire from office.'

The Head Office (South Africa) and the London Share Transfer Registers of the Bank will be closed from the 31st August to the 4th September, 1914, both days inclusive.

Attention is drawn to the following: Holders of Share Warrants to Bearer are entitled to vote by proxy. Such Shareholders desiring to be present or represented at the Meeting must deposit their Share Warrants at the places and within the times stated below:—

(a) At the Head Office of the Bank in Pretoria at least three days before the day fixed for the Meeting.

(b) At any of the Branches of the Bank in South Africa at least eight days before the Meeting.

(c) At the London Office of the Bank, Circus Place, London Wall, E.C., at least 30 days before the Meeting.

(d) At the Crédit Mobilier Français, 30 and 32 Rue Trinité, Paris, at least 30 days before the Meeting.

(e) At the Rotterdamse Bankvereeniging, Amsterdam, at least 30 days before the Meeting.

The instrument appointing a Proxy must be deposited at the Office in Pretoria not less than 48 hours before the time fixed for the Meeting at which the person named in such instrument proposes to vote.

By Order of the Board of Directors,
C. P. MATHEWS,
Secretary.

Pretoria,
28th July, 1914.

NEW SOUTH WALES GOVERNMENT DEBENTURES.

THE AGENT-GENERAL FOR NEW SOUTH WALES HEREBY GIVES NOTICE that the London County and Westminster Bank, Ltd., Lothbury, London, E.C., will PAY on and after 1st September next the half-year's INTEREST then falling due in London on the Debentures maturing on 1st March, 1915, issued by the Government of New South Wales.

Coupons and claims for interest must be left three clear days for examination, and forms for specifying the same may be had on application at the London County and Westminster Bank, Ltd.

T. A. COGHLAN,
Agent-General for New South Wales.
New South Wales Government Office,
123-125 Cannon Street, London, E.C.,
27th August, 1914.

NEW SOUTH WALES THREE-AND-A-HALF PER CENT. STOCK, 1918.

THE AGENT-GENERAL FOR NEW SOUTH WALES HEREBY GIVES NOTICE that the Bank of England, London, E.C., will pay on and after 1st September next the half-year's DIVIDEND then falling due in London on the Three-and-a-half per Cent. Stock, 1918, issued by the Government of New South Wales.

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Agent-General for New South Wales.
New South Wales Government Office,
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27th August, 1914.

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Subscribed ... 900,000
Paid up ... 500,000
Reserve Fund ... 100,000

The Rate of Interest allowed on Deposits has been this day reduced to $\frac{1}{4}$ per Cent. at Call and $\frac{3}{4}$ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.
P. NEWCOMB, Manager.

August 27, 1914.

NATIONAL DISCOUNT COMPANY, LIMITED.

Subscribed Capital ... £4,233,325
Paid-up Capital ... 846,665
Reserve Fund ... 505,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on Deposit are reduced as follows:—

To $\frac{3}{4}$ per Cent. per annum at call.
To $\frac{1}{2}$ per Cent. at 7 and 14 days' notice.

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No. 35 Cernhill, E.C., August 27, 1914.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED,

39 CORNHILL, E.C.

Capital Authorised ... £2,000,000
Capital Subscribed ... 1,700,000
Paid up ... 850,000
Reserve Fund ... 800,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on deposit are this day reduced as follows: At Call, to Three and a-half per Cent.; at 7 and 14 days' or longer notice to Three and three quarters per Cent. The Company discounts approved bank and mercantile acceptances, receives money on deposit at rates advertised from time to time in the London daily papers, and grants loans on approved negotiable securities.

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2 August 27, 1914.

KAHETIAN RAILWAY.

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NOTICE IS HEREBY GIVEN that the Coupon on the above Bonds, due 1st September, 1914, will be paid on and after that date (Saturdays excepted) at the—

British Bank for Foreign Trade, Limited, 48 Bishopsgate, London, E.C.; or at the Russian Commercial and Industrial Bank, 24/28 Lombard Street, London, E.C.; or at the Russo-Asiatic Bank, 64 Old Broad Street, London, E.C.

The Coupons must be left three clear days (excluding Saturdays) for examination previous to payment.

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24th August, 1914.

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Coupons due 12th September, 1914.

IMPERIAL JAPANESE GOVERNMENT FIVE PER CENT. NOTES.

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NOTICE IS HEREBY GIVEN that the above Coupons will be paid on and after the respective due dates, subsequent Saturdays excepted, between the hours of eleven and three, by the Yokohama Specie Bank, Limited, from whom lists may be obtained.

Coupons must be left three clear days for examination prior to payment.

For the Yokohama Specie Bank, Limited,
K. TATSUMI,
Manager.

7 Bishopsgate, London, E.C.,
28th August, 1914.

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The Transfer Books will not be closed. Dividend Checks of English and Continental Shareholders will be made payable at the rate of 4s. 1½d. to the dollar, at the option of the payee, at the Union of London and Smiths Bank, Limited, London, E.C.

E. C. PLATT,

Treasurer.

Dated August 20th, 1914.

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NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholemew Lane entrance to the Bank of England, or obtained on application to—

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Committee Room, Stock Exchange, London, E.C.

NORFOLK AND WESTERN RAILWAY COMPANY.

The Annual Meeting of the Stockholders of the Norfolk and Western Railway Company will be held at the principal office of the Company in the City of Roanoke, Virginia, on Thursday, the 8th day of October, 1914, at 10 o'clock A.M., to elect Directors, to elect independent Auditors to audit the books and accounts of the Company at the close of the fiscal year, to consider the annual report of the Directors for the fiscal year which ended June 30th, 1914, to ratify and approve all action of the Directors set forth in such annual report and in the minutes of the Company, and to transact such other business as may properly come before the meeting.

The Stock Transfer Books will be closed at 3 o'clock P.M., Wednesday, September 23rd, 1914, and Reopened at 10 o'clock A.M., Friday, October 9th, 1914.

By Order of the Board of Directors,
E. H. ALDEN,
Secretary.

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VOLUME LXXX.

(APRIL-JUNE, 1914)

OF

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(FULLY INDEXED.)

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Business communications should be addressed to the Manager,

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In the circumstances, Subscribers on the Continent must expect delay or even non-delivery of "THE STATIST" until the restoration of normal postal facilities.

The Statist.

LONDON, SATURDAY, AUGUST 29, 1914.

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The Money Market.

Friday Evening, August 28, 1914.

Bank of England Rate.	5 per Cent. (Aug. 8, 1914)
	6 per Cent. (Aug. 6, 1914)
	10 per Cent. (Aug. 1, 1914)
	8 per Cent. (July 31, 1914)
	4 per Cent. (July 30, 1914)
Discount Rates:—	3 per Cent. (Jan. 29, 1914)

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Bank Bills ...	5	5	5	5
Trade Bills ...	—	5½-6	5½-6	5½-6

Deposit Rates:—

	DATES FIXED.	AT CALL	SHORT NOTICE—7 DAYS.	14 DAYS.
Banks	August 8, 1914 ...	—	3½	3½
	August 6, 1914 ...	—	4	4
	August 1, 1914 ...	—	5*	5*
	July 31, 1914 ...	—	4	4
	July 30, 1914 ...	—	2½	2½
	January 29, 1914 ...	—	1½	1½

* Head Office and Metropolitan Branches only.

Discount Houses	August 8, 1914	...	4	...	4½	...	4½
	August 1, 1914	...	5	...	5½	...	5½
	July 31, 1914	...	4½	...	4½	...	4½
	July 30, 1914	...	2½	...	2½	...	2½
	January 29, 1914	...	1½	...	1½	...	1½

MONEY.

As the week draws to a close the eagerness to discount at the Bank of England is falling away, suggesting that the Money market is recovering courage, and that the action taken by the Government, and so admirably carried out in practice by the Bank of England, has reassured the public everywhere. Of course it may mean that the pre-moratorium bills have, for the most part, now been turned into cash; that people, therefore, are eased of their anxieties, and that they are able to take a calmer view of the whole situation. It may be also that in every direction business men are realising the need for calmness and courage, and that the public is bracing itself up for a long and stern struggle.

Our information from the provinces is that the joint-stock banks are behaving better than they had been doing, and that, as they are giving freer accommodation, the trading public is throwing off its apprehensions and is settling down coolly to business. From all quarters we are assured that the Chancellor of the Exchequer's speech on Wednesday made a very good impression. The banks feel that it is necessary for them to act up to their responsibilities, while the public are confident that, if necessary, the Government will take what measures may be required. Sincerely we hope that nothing will be required; that everybody, in whatsoever position he may be, will recognise that it is his duty to do what he can to maintain trade so that the sufferings of the war, which inevitably must be great, shall not be exaggerated by panic selfishness or disregard of responsibility.

Apart altogether from these considerations, however, it is to be recognised that the supply of currency of every kind has been enormously increased. Whatever amount may have been put into circulation by the Bank of England in the course of the immense business which it has done in this country, that large sum is now to a considerable extent in the joint-stock banks. Some of the banks at first were disposed to keep a close grip on the money, and to give as little accommodation to their customers as they could. Gradually, however, as they felt themselves growing stronger and stronger, all the well-managed banks recognised that it was their duty to serve their customers as usual. Therefore they began both to lend and to discount more freely, and as the days have passed they have seen more and more clearly that this was not only beneficial to the public but also to themselves, and that the wisest course is to act as nearly as possible in a normal manner. Thus the public has grown more and more confident; and necessarily, therefore, the applications to the Bank of England have become much smaller than they were a little while ago. Meantime the Bank of England is open to all who need accommodation, and thus the position is growing more and more satisfactory every day.

The impression at the same time is becoming stronger that the alarm aroused by the outbreak of war was grossly exaggerated, and that the dangers are much smaller than they seemed. Especially, thinking people are coming to the conclusion that the losses will be very much smaller than was anticipated. Even already, money is coming in in much larger amounts than was expected, so that several persons who availed themselves at first of the moratorium have been able to pay off debts, and are now freely

doing so. The impression amongst those in the best position to judge in the City just now is, therefore, that the general condition of the market will become more normal in a very short time, and that, even if the war lasts long, the losses will be quite small. Our trade, everything seems to prove, will continue as large as ever. Certainly it will do so if we are able to maintain command of the sea. But if it continues as large as ever, then the country will grow in wealth, as it always has grown, and the fears that were entertained a couple of weeks ago will be found to be ungrounded.

On the supposition even that the war lasts until Germany has to give way through sheer exhaustion, many persons in a good position to judge are of opinion that the losses will be quite trifling. It is to be recollected that against the sums due from German men of business to British men of business there are large assets which can be set off against all the losses. Probably the war will not be pushed to extremities. The enemy may recognise that his calculations were unfounded, and may come to terms earlier than any of us now venture to hope. Even if he does not, it is hardly probable that the great German and Austrian banks which did so prosperous a business in London will be unable altogether to meet their obligations. On the contrary, it is reasonable to expect that if they are given time they will pay off all their debts. Should they be unable to do so, there are securities which will meet the deficits, or at all events practically all.

Unless, therefore, something untoward happens to create fresh alarm, it looks at present as if we might reasonably hope for a return of confidence in the City, and a possibility of working normally before very long. The seas are being kept clear, at all events all the seas except the North Sea. Trade, consequently, is being carried on as usual. All classes and all departments of business are becoming normal. After a while it is reasonable to hope that everyone will be in a position to meet his obligations. There ought to be, of course, no pressure put upon those who, because of the war, are unable to pay up quickly. But if things go on in the manner that it now seems reasonable to expect, trade will soon resume activity, large sums of money will come in from abroad, and confidence will revive. There is every reason, indeed, to expect that the Bank of England will grow in strength day by day. Already, it will be noticed, the gold held by that great institution amounts to almost 43½ millions sterling, and there seems no reason to doubt that the metal will continue to arrive in large amounts. Consequently, it may not be long before the Bank of England will be in a position to lower its rate still further.

During the past week there has been a distinct improvement in the volume of business in the Discount market. Having said this it must be added, nevertheless, that the total turnover has been quite moderate. The steps taken by the Bank of England to regulate the inflow of pre-moratorium bills had a very good effect, and there has not been that unseemly rush at the Bank of England each morning as was the case last week. The dominating feature with regard to rates has been the excessive supply of money. Owing to this some of the joint-stock banks have been more willing to buy pre-moratorium bills, and they have taken approved names at rates ranging from 4 down to even 3½ per cent. As a last resort the buyers can turn them over to the Bank of England at 5 per cent., but meanwhile, with extremely cheap money, they are able to carry them at a profit. There has been a little more disposition to take post-moratorium bills. The general quotation has been 5 to 5½ per cent. for bankers' acceptances; but here also picked bills not running for more than three months have frequently found buyers at 4½ per cent., if not at less. For trade bills the

quotations remain quite nominal at $5\frac{1}{2}$ to 6 per cent. With respect to short loans the clearing banks have held out for $3\frac{1}{2}$ per cent., but there is so much money available outside the clearing banks that brokers have frequently borrowed over the night at $2\frac{1}{2}$ per cent. Even in the case of pre-moratorium loans there is a good deal of breaking away from the legal rate, and loans are now running on much lower terms according to the special circumstances and as a result of negotiation. Owing to the abundance of money the bill brokers on Thursday held a meeting and decided to lower their deposit rates by $\frac{1}{2}$ per cent.—namely, to $3\frac{1}{2}$ per cent. for money at call, and $3\frac{3}{4}$ per cent. for money at notice. This reduction has brought the brokers' deposit rates down to the same basis as the banks' deposit rates. Another satisfactory feature was the resumption of foreign exchange business. This has permitted the issue of the foreign exchange lists which had been suspended since the commencement of the war. Only one further change has taken place in the foreign bank rates—viz., that of Sweden, which was raised from $5\frac{1}{2}$ per cent. to $6\frac{1}{2}$ per cent. on the third of August, and on Friday was reduced to 6 per cent.

NEW BRITISH TREASURY BILLS.

TENDERS were received at the Bank of England on August 26 for a further issue of £15,000,000 of Treasury bills. Of the amount offered, £10,000,000 is understood to be required as a loan by His Majesty's Government to the Belgian Government. The new bills, of six months' currency, are dated August 29, and fall due for payment February 28, 1915. The amount of applications received reached £40,193,000, against £42,115,000 last week, when a first amount of £15,000,000 was offered. Tenders at £98 1s. $5\frac{1}{2}$ d. received about 81 per cent.; those above received in full. The bills secured an average price of £98 2s. $3\frac{1}{2}$ d., equal to an average rate of discount of £3 15s. 6.09d. per cent. As a result of this issue the amount of Treasury bills outstanding is raised to £43,100,000, as to £36,000,000 held by the public and £7,100,000 placed privately with various Government departments. The following statement shows particulars of outstanding Treasury bills, together with the amount of applications for each issue:—

British Treasury Bills.

Date of Maturity	Amount £	Duration Months	Amount Tendered £	Date of Issue	Aver. Rate of Allotment %
Sept. 4, 1914 ...	1,500,000	8	5,179,000	Feb. 27, 1914	1 15 0.04
Nov. 29, 1914 ...	1,500,000	8	3,922,000	May 25, 1914	2 10 10.56
Dec. 20, 1914 ...	1,000,000	6	1,814,000	June 18, 1914	2 0 6.827
Jan. 14, 1915 ...	2,000,000	6	3,378,000	July 9, 1914	2 10 7.31
Feb. 22, 1915 ...	15,000,000	6	42,115,000	Aug. 19, 1914	3 13 1.42
Feb. 28, 1915 ...	15,000,000	6	40,193,000	Aug. 28, 1915	3 15 6.09
	7,100,000	Not issued by public tender.			
Total ...	43,100,000				

BANK OF ENGLAND.

THE figures of Thursday's return are in many respects similar to those of the previous week, but there are one or two movements of exceptional interest. The bullion item was enriched by another £4,296,000 of foreign gold not "taken into" the Bank as some papers aver, but "placed to the credit" of the Bank of England, for many of the so-called "arrivals" of bar gold have been lodgments of bullion in Colonial depositories under a recent arrangement made by the directors of the Bank. Another satisfactory feature of the Bank statement was the very considerable return of cash from the country. The issue of £1 notes has been followed by another inflow of £1,217,000 in gold from the provinces, making an influx for the fortnight of £2,760,000. There was also the large contraction of £1,615,000 in the note circulation. More than £7,000,000, therefore, was added to the reserve which has been raised to £26,352,000, a total which is still considerably lower than a year ago. But the bullion item at £43,473,000 is higher than it was at this time last year. Besides receiving the

money represented by the increase in reserve, the market benefited by another addition of £3,738,000 to the Government securities, which owing to the borrowing for Ways and Means have been raised to the high total of £29,779,000. The market also received £15,000,000 through an increase in the "other" securities which have now advanced to nearly £110,000,000, this big increase, of course, being mainly due to the discount of pre-moratorium bills. The most important loss sustained by the market was an addition of £10,000,000 to the public deposits. As the first issue of £15,000,000 Treasury bills had to be paid for on Saturday last and as the public deposits are only £10,212,000 up it is to be inferred that the Government immediately paid away about £5,000,000. Notwithstanding the big increase in the deposit liabilities the addition to the reserve has been sufficiently large to raise the ratio fully 2 per cent.

POSITION IN INDIA.

It can scarcely be said that the Indian Government have yet resumed sales of transfers on India. They offered the small amount of 10 lacs on Wednesday and only sold two lacs. They were for transfers at 1s. $4\frac{1}{2}$ d., a small demand for bills at 1s. $3\frac{1}{2}$ d. having been refused. Nevertheless, the sale of two lacs this week showed a slight improvement, as last week only one lac was applied for, and was refused. Equally on the other side the situation shows a slight improvement. When on the outbreak of the war the Indian Exchange upon London fell so heavily the Indian Government decided to support the market by drawing upon their accumulated gold reserves. They met the local demand for remittances by offering to sell £1,000,000 weekly of bills and transfers upon London. The first offer was over applied for, but the situation has so quickly improved that on Thursday the applications were only for a little more than half the amount offered. The following are the results in comparison with those of the three previous issues:—

	Bills £	Transfers £	Total £
August 5 ...	224,000 @ $1\frac{1}{3}\frac{1}{4}$	776,000 @ $1\frac{1}{3}\frac{1}{4}$	1,000,000
" 12 ...	69,000 "	741,000 @ $1\frac{1}{3}\frac{1}{4}$	813,000
" 20 ...	133,000 "	499,000 "	632,000
" 27 ...	181,000 "	357,000 "	538,000

The following are the minimum Rates of Discount current in India:—

Bombay ... 6 per cent. (Aug. 20, '14) | Bengal ... 5 per cent. (Aug. 7, '14).

Ten lacs of drafts were offered by the India Council on Wednesday. Applications were received for Rs. 15,000 in bills at 1s. $3\frac{1}{2}$ d., and for Rs. 2,00,000 in telegraphic transfers at 1s. $4\frac{1}{2}$ d. per rupee. Applicants for transfers were allotted in full.

From April 1 to Aug. 25 inclusive the Council have granted remittance for Rs. 5 34,88,332, realising £3,569,811. Up to Aug. 28 of last financial year the total Bills and Transfers sold was Rs. 10,75,49,721, realising £7,183 870. The total sales for the week ended Aug. 25 amounted to Rs. 10,00,000, realising £66,866. The amount to be offered for tender next Wednesday will again be 10 lacs.

SILVER.

THE London price of silver gave way early in the week on the receipt of rather larger supplies from America. The cash price fell from 26d. to $24\frac{1}{2}$ d., from which there was a recovery to 25d. To-day the price relapsed to $23\frac{1}{2}$ d. per ounce on the arrival of large supplies from America. Messrs. Pixley and Abell say that further shipments from New York may

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be restricted, as the United States Government are expected to buy up to 15,000,000 ounces probably over an extended period. They look, therefore, for a fairly steady tone, while further coinage orders should have a hardening effect.

	Aug. 21	22	24	25	26	27	28
London	26d.	25½	25½	24½	25	25	23½

Stock Exchange.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement	Wed., Aug. 26	*Thurs., Aug. 13	*Thurs., Aug. 13
Days.	—	Thurs., Aug. 27	—
*Deferred to September 14 for General and September 7 for Consols Settlements.			

July 31. Paris Bourse settlement deferred to August 31. London and New York Stock Exchanges did not open.

General securities and Consols settlements deferred to August 27 and beginning of September.

Aug. 3. Bank Holiday extended to August 6 inclusive.

" 4. War declaration Germany and England.

German Reichstag authorises extraordinary expenditure of £265,000,000, suspends the 5 per cent. tax on excess circulation, authorises Imperial Bank to discount bills with only one signature, makes all Imperial paper legal tender, authorises Government to close bargains at prices the Government will fix, and grants advances up to £75,000,000 on German stocks and shares and goods of non-perishable nature, and one-half or one-third of assessable value on trade stock and industrial products placed under seal. (See *Times* of August 10, p. 5.)

" 6. British moratorium of month to September 4.

" 7. Banks reopen and issue of £1 Government (Treasury) notes.

" 12. General securities and Consols settlements on London Stock Exchange further deferred to September 14 and September 7 respectively. German branch banks in London permitted to resume business.

" 13. Government guarantees bills of exchange discounted at the Bank of England.

Measure for holding gold in Colonies for account of the Bank of England.

" 17. Provision for paying Rand Mining Companies' dividends.

" 20. Action of Continental Banks in reducing their official rates.

" 21. News of entry into Mexico of General Carranza.

" 26. Commons approve measures for increase of Government (Treasury) certificates and notes.

" 27. Ditto as to a War Loan Bill, also leniency of dentors.

Friday evening.

THE STOCK EXCHANGE AND LOAN POSITIONS.

THE bulk of transactions in Stock Exchange securities through members of the "House" during the week has been in connection with the closing up of open positions. Some new business has been done, though, except for some of the biggest firms, only on a small scale, for cash transactions. Of course the business is very limited under the circumstances of the Stock Exchange remaining closed.

In various directions it is necessary in the circumstances to clear up, so far as can be, the Stock Exchange and the loan positions, and last week we offered suggestions:—

1. Deferment of settlement of the Stock Exchange open account (with freedom of optional arrangements) until some period after conclusion of peace.
2. Reopening the Stock Exchange for cash transactions only.
3. A Government moratorium (with freedom of optional arrangements) in respect of all loan transactions on Stock Exchange loan transactions entered into prior to the end of July.

This procedure, of course, covers only a section of the great financial problems that exist.

To understand and appreciate the position it is necessary to have some knowledge of facts. As to the

Stock Exchange, for instance, one ought to have the information collected as to the extent of the unsettled position still open. We take it that virtually the whole of the end of July account was adjusted. For the moment we do not deal further with the end of July position, though there is something to be said as to that. There were contango transactions entered into at the end of July for the mid-August account; also considerable dealings were effected subsequently during the time of a *débâcle* of the markets, till all business was arrested by the closing of the Stock Exchange. In the interval since some small amount of the unsettled mid-August position has been adjusted. People who had bought have been approached by people who had sold, and the various links between ultimate buyers and sellers have been filled in and a chain of transactions closed. There remains, however, a considerable amount of real stock that was either bought with the intention to be paid for or sold with the intention to be delivered. So far it has been impossible, in most cases, to close transactions between the eventual buyer and the eventual seller, for the reason that the buyer is not in a position to pay for what he bought, and occasionally the seller, approached by the buyer, is not in a position to deliver what he sold speculatively as an insurance fund by way of a hedge against his holdings of securities or "bull" commitments. There remains, too, to be considered the amount of securities open for people who bought, intending to pay for what they purchased by securing the proceeds from stock they sold; and, further, there is account to be taken of the extent of out-and-out "bear" sales. The extent of the Consols account position has to be similarly ascertained.

In referring to the features to be ascertained in connection with the end-July account, what appears to have been a closing up and settling of the account has, in great part, we believe, covered up transactions which, without investigation, might never be revealed as to their true intent.

It should be explained to those not altogether conversant with Stock Exchange procedure that there are dealers, commonly termed jobbers, and brokers. As the jobber's function is but that of an intermediary, we confine ourselves to brokers. Brokers comprise men who specialise—purely English dealing brokers; also a considerable quantity—who have increased in number and importance in recent years—of brokers who do arbitrage and foreign business. The *clientèle* of the foreign brokers includes an immense number of residents on the Continent who may be private individuals with relations direct with a stockbroker in London, or they may be little institutions on the Continent that rake together business from individuals, and for them, or on their own account, transmit orders to London. A large number of Continental resident operators in securities that can be best dealt in in London transmit orders to the London Stock Exchange, sometimes through the big foreign banks, sometimes direct. Private operators, the little Continental banking establishments, bucket shops included, and the big foreign bank agencies and branches located in London do an enormous business in securities of an international character with the London Stock Exchange. Many brokers who cater for Continental business have been extensively cultivating business by means of *remisiers*, who travel all over the country and gather orders destined for their employers. These so-to-speak agents, analogous to commercial drummers, have small-tooth-combed the Continent all over for orders, especially in Germany.

It may here be observed that purely British banks that receive orders from clients, whether at home or abroad, are of conservative tendency, and have their own limited circle of Stock Exchange brokers, to

whom they exclusively give business, and have kept to the same brokers from generation to generation. For any new firm of stockbrokers to obtain business from such banks, if not impossible, has been very rare.

With foreign branch banks in London of the highest standing this conservative policy of adhering to a limited number of brokers has never been observed. Competition and close cutting have been the order of the day, and increasingly so in recent years. And any broker who can, as against his competitors, submit business on the slightest concession in offers or bids has been able to get orders.

With purely British banking institutions the idea of opening speculative transactions for customers or clients who may approach them direct would be scouted, but foreign banking establishments who cater in London for Continental operators would jump at the idea of taking speculative business, as well as direct buying for cash or selling for delivery.

British banking establishments pure and simple are in the habit of affording facilities for customers who want to borrow on Stock Exchange securities by lending large sums to brokers of recognised standing from account to account, always subject to calling in of loans, and the loan is arranged at the making-up price fixed on the Stock Exchange, with a supplementary margin for security of an average in respect of substantial high-class securities of 10 to 15 per cent., which margin it is necessary to constantly keep up in case of any fluctuations in the market. On the closing of a loan transaction the identical securities lodged are handed back to the person who is party to the loan.

The agencies of the foreign banks in London are not in like manner conservative as regards their loans, and in many cases lend large sums on what are called *contango* loans to brokers with whose financial stability they are satisfied. These loans run from account to account at the making-up price of each Stock Exchange account, and no margin is put up or called for during the account. At the end of each account differences in prices that are shown are adjusted. With such *contango* loans the foreign banks do not undertake to return the identical securities that may be deposited with them—the same stocks, of course, but not necessarily the same denomination or numbered bonds or scrip. As a rule, in these *contango* loan cases the interest charge of the foreign bank agencies is generally $\frac{1}{4}$ per cent. more than the rate charged for the margin loans arranged with English banks.

It is necessary to call attention to this detail for the reason that at the end-July account there were some remarkable transactions entered into through the agency of Stock Exchange brokers acting on Continental orders. The action taken, carefully weighed, points to the feature that the acuteness and imminence of a looming crisis was better understood on the Continent than it was in this country, and was acted upon. We understand it largely occurred that these foreign agencies in some instances at end of July account reversed their usual process of lending money on stocks and paid *contangos* on the Stock Exchange to English brokers instead, in this way delivering stocks out of their own portfolios and securing cash instead for stock delivered at the making-up price of the end of July. They thus put themselves in a most advantageous position, especially as at the same time they to a very great extent curtailed the facilities they previously had given to borrowers.

As a further instance of how the critical position was understood abroad, in well-informed quarters it

is said that cheques mailed by London brokers to German centres were sent back to this country by special messengers, who travelled to London and cleared the cheques instead of, as normally is the case, allowing them to be cleared by the usual procedure of paying into a bank abroad. The statement is of such character as to call for evidence of its correctness. If it occurred the saving of a day or two in the time usually occupied by clearing in London put the enemy in funds at the expense of this country immediately before the war decisions were announced.

It is well known that selling of international securities for German account was very heavy during the end-July account. Sales were largely effected in London, also to some extent in New York. The securities sold were almost exclusively securities of a bearer character and bonds—say, registered Canadian Pacific, Union Pacific, or other American shares and bonds that are out and out transferable by mere delivery. In respect of Canadian Pacific shares endorsed in blank the following notice was issued on August 20 by the Stock Exchange Committee:—

CANADIAN PACIFIC RAILWAY COMPANY.

Shares in Names of Alien Enemies.

The following letter has this day been received from the Canadian Pacific Railway Company, 8 Waterloo Place, Pall Mall, S.W.:—

"J. A. Torrens-Johnson, Esq.,

"Secretary, Share and Loan Department,
"Stock Exchange, London, E.C.

"Dear Sir,—I beg to inform you that I have this morning received a cable from the President of the Company, Montreal, as follows:—

"With proper form of indemnity and affidavit that they are the owner or his agents, we shall pay the dividend due October 1 to holders in Great Britain of German certificates duly presented and recorded in our transfer office in London on or before August 28, the owner undertaking to transfer into new names all properly endorsed certificates when books reopen. Same will apply to Austrian shares."

"The necessary affidavit, indemnity and lodgment forms will be ready to-morrow, and, for the convenience of members, a supply will be sent you.

"I am, dear Sir, yours truly,

"(Signed)

"R. D. MORRISON, Deputy-Secretary."

From the point of view of the adjustment of differences the end-July account we may consider has been closed. But there comes the very important feature that possibly a largely preponderating amount of Stock Exchange positions open for August 13 account—the account that has some time to be settled—comprised "*contangos*" arranged at end of July adjustment—in other words, loan positions. Also, a very large proportion of the bargains carried over from the end-July account were sales that had been

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made for alien enemies who had knowledge of looming events. There were also sales after the end-July account of actual stock held by, borrowed on, or effected as "bear" sales by alien enemies. Purchasers are not in a position to pay for the securities they carried over or have bought since the end-July account except in very few instances, and in part these exceptional instances of the taking up of stock bought have been already closed. The effect of the loan position, real sales and "bear" sales requires to be investigated.

The outcome of all this is a Stock Exchange deadlock, and, further, that people having securities and requiring to obtain advances on those securities to take up other stocks they have purchased are unable to do so. With the position such as it is it looks as if the procedure we mentioned last week calls for all-round investigation and consideration.

Such suggestions to alleviate the position are:—

(1) A moratorium in respect of existing loan transactions based on the deposit of Stock Exchange securities, the moratorium to last until some time after the end of the war.

(2) A Government authorisation to the Bank of England or a department of the Government, to afford monetary accommodation against the deposit of approved Stock Exchange securities. At the present moment the banks are unwilling to make advances in respect of such securities. A Government authorisation to lend in such way would provide at least some accommodation urgently necessary. If such securities be found acceptable a sum—say an average of 70 per cent. of the market value at the end of July price current on the approved securities would be provided by the lending establishment, and the borrower would receive a Government certificate for the amount of the advance. The certificate thus created could, in turn, be handed by the borrower to his bank to establish a credit, and could be used by the bank, if necessary, to obtain extra circulation of Government notes.

Note may be taken of the provisions of the COURTS (EMERGENCY POWERS) BILL, read a second time in the House of Commons on August 27, which, *inter alia*, provides that "from and after the passing of this Act no person shall . . . realise any security . . . for the purpose of enforcing the payment or recovery of any sum of money, or in default of the payment or recovery of any sum of money, except on application for the purpose at the High Court, or, alternatively, to the County Court . . . the Court may in its absolute and final discretion by order stay execution or defer the operation . . . for such time and subject to such conditions as the Court thinks fit."

Speculative business in all its forms is much to be deprecated. It would be injurious from every point of view. But at the same time it is highly desirable that those who hold securities, and desire to turn them into cash, should be enabled to do so. There are many persons who are not merely solvent but are well-off, and yet, because of the recent apprehensions of the banks and the state of the Stock Exchange, they are unable in the circumstances to meet engagements. This is a state of things which ought to be put an end to. In any step that may be taken to restore dealings in the Stock Exchange we may be sure that members will be very guarded, and will not readily enter into extensive operations. But, carried on in moderation, it is essential for the free continuance of trade that those who wish to deal should be able to do so.

It is a matter for congratulation that the two issues of Treasury Bills that in the past fortnight have been

offered for subscription, amounting in the aggregate to 30 millions sterling, were placed at the satisfactory average of under $3\frac{1}{2}$ per cent. It is true, of course, that Consols are quoted at 69-70; but then the quotation tells us very little, for if the Stock Exchange was really open and "bulls" and "bears" were at work nobody can be sure that the quotation would stand so high, whereas the fact that 30 millions sterling has been raised at the present time at a trifle under $3\frac{1}{2}$ per cent. admits of no questioning.

As the weeks pass we may hope that the credit of the country will rise. How soon the improvement will set in will depend, it need not be pointed out, upon the course of events. If our enemies were to lose ground seriously, hopes would arise, and investment at present prices might be considerable. On the other hand, if the enemy were to gain ground quotations might go down. Moreover, it is to be borne in mind that, as operations are continued, the need for large loans will make themselves felt, and a considerable addition to the debt will tell upon quotations. All these things must be in the minds of those who have taken the Treasury Bills last week and this week. Therefore we are justified in concluding that the prices at which the Bills were placed are such as warrant us in congratulating the country.

The Paris Bourse Committee is reported to have postponed the Settlement till September 30.

CONTINENTAL BANK RATES.

Bank of	Last Change in Rate.	%
England	Aug. 8, 1914	6 to 5
France	Aug. 20, 1914	6 to 5
Germany	Aug. 1, 1914	5 to 6
Austria	Aug. 2, 1914	6 to 8
Belgium	Aug. 3, 1914	6 to 7
Holland	Aug. 20, 1914	6 to 5
Switzerland	July 30, 1914	$3\frac{1}{2}$ to $4\frac{1}{2}$
Italy	May 11, 1914	$5\frac{1}{2}$ to 5
Spain	Aug. 4, 1914	$4\frac{1}{2}$ to $5\frac{1}{2}$
Norway	Aug. 20, 1914	$6\frac{1}{2}$ to $5\frac{1}{2}$
Sweden	Aug. 23, 1914	$6\frac{1}{2}$ to 6
Denmark	Aug. 10, 1914	7 to 6
Russia	July 29, 1914	5 to 6

MEXICAN RAILWAY EARNINGS.

FOLLOWING on a poor traffic return for the third week of August comes the revenue statement of the Mexican Railway Company for the month of July. This makes a somewhat less unfavourable showing than either of its two predecessors. Nevertheless, the result is far from satisfactory. The gross earnings for the month declined \$118,800, or 13.4 per cent., as against \$242,000 in June and \$236,600 in May. On the other hand, whereas in both May and June reductions in expenditure helped to neutralise the effect of declining earnings upon net revenue, in July the cost of working has been raised by \$59,900, or 14.2 per cent., and the net earnings consequently show a falling off of \$178,700, or 38 per cent. Last week's decline in receipts was \$46,800, and as this entirely wipes out the improvement shown in the two previous weeks, the diminution for the seven weeks to the middle of August is \$128,100. The position of affairs in Mexico is, however, distinctly more promising than it has been of late, and if peace can only be maintained in the country a revival in business would be quickly apparent.

The Union of South Africa Government is introducing a scheme for advancing up to 50 per cent. of the normal value of wool, mohair, skins, and hides deposited at the Government warehouses at Cape Town, Port Elizabeth, East London, and Durban. This step has been taken owing to the closing of the Continental markets to these commodities, and will probably continue until more normal arrangements can be made for their disposal.

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Mining Topics.

A good many people, of course, in these times are very nervous indeed about the nature of their investments in securities of mines and kindred concerns. Intermittently since the commencement of the crisis we have advised people who hold Rand mining shares of approved character not to throw away their shares at the prices mentioned as those at which dealings may be possible. There has to be considered the broad economic fact that every effort will be made by gold companies to increase production of an article which always secures the same price, and with the growing evidence of the ability of the United Kingdom to hold command of the seas, and the unlikelihood of any aggressive warlike action affecting South Africa, the general features seem to be assured. Our advice has been to hold the shares where the owners were satisfied as to the merits of the enterprise they put their money into, and this advice we reiterate.

It may be recalled that for some months prior to the Van Ryn Deep coming forward as a new producer we referred intermittently to the progress being made and the prospects of appreciation in the price of the shares. Similarly in regard to the Modder Deep, we reviewed the position of the Company long before the stage of decision to erect plant was arrived at, and we later recurred to the subject consequent on the nature of the developments and the approach of the time when the plant now in course of erection is likely to come into operation. Many inquiries have been addressed us, especially in respect of these two Companies. The inquiries partake of the nature of: Shall we retain our holding, and our reply has been and is "Certainly."

The period of discomfort consequent on the war cannot be gauged; it may be months, it may be years, but unless we lose command of the sea it may be taken as assured that the Rand mines will prosper,

and the two companies in question we consider have excellent possibilities of earning substantial dividends. In common with other contemporaries we have found it necessary to curtail the space given to certain sections or departments, and this week we extend some remarks concerning the position on the Stock Exchange generally and contract our remarks as to mines, but we hope to recur to the position of these two companies and others shortly.

RUSSIAN MINING COMPANIES.

It may be that consequent on Russia having been one of the first countries involved in the war declarations, the market for Russian securities was the first to bear the brunt of the stream of selling witnessed at the end of July. Certainly some of the Russian mining shares that were favourites with speculative investors dropped in price during the market spasm far more than mining securities generally. The contrast given below illustrates the severity of the fall:—

		Making-up Price July 7	Making-up Price July 24	Last Price July 30
Russo-Asiatic ...	...	8	7½	4½
Tanalyk ...	...	4	3½	2½
Kyshtim ...	...	2½	2¼	1½

The Consulting Engineer of the above companies arrived in London on August 22, having had to abruptly terminate a visit to the various mines. We understand that he found the position of the mining propositions quite satisfactory. There are ample cash resources in Russia itself for continuing operations. For a period there may be the necessity to temporarily curtail output, but there is no likelihood of entire stoppage of work. The mining propositions nearest to Russia proper, that is the Kyshtim and the Tanalyk—copper the main metal—have been drained of some of their labourers consequent on the mobilisation. Kyshtim, which is furthest west, appears to have lost about 1,200 labourers, and Tanalyk nearly one-third of its labour supply. Previous to the mobilisation drain of labour the Kyshtim had, for purposes of repair and renovation, put some of its iron blast-furnaces out of work. The repairs and renovations at end of July were all but completed, but now the idea of relighting the furnaces again will be abandoned for the time being, and all labour heretofore employed in the iron department will be transferred to the more important copper production. The full capacity of the copper plant may for a while not be used, but as against some possible reduction in the quantity of output monthly there is the likelihood of the Company securing a higher price for its copper than it has done in the recent past. It has to be borne in mind that Russia is a copper-importing country, acquiring supplies in addition to the metal produced in the country itself. It will require every ounce of its own home supply; and those who are investors in the shares of the Company will be aware that Russian home-produced copper enjoys the benefit of virtually a bounty equal to about £22 per ton over the London price for refined copper, and the Kyshtim works supply electrolytic copper, which is pure.

The Tanalyk will go on smelting with its first unit of smelting plant and complete the erection of cyanide plant for dealing with gold-impregnated iron capping, which will pay to treat for extraction of the gold. Both at Kyshtim and Tanalyk enough ore has been broken down to last from nine months to a year.

Operations at the Ridder mine of the Russo-Asiatic Company, and also at the coal property near the Ridder mine, are scarcely affected at all by diminution of labour, owing to the fact that the Kirghese labourers are not liable for military service. Operations will continue at Ridder, also the boring operations on the Nerchinsk property far east.

DOLCOATH.

In the time that has elapsed since the completion of the Williams vertical shaft, sunk to the 550-fathom level, or 3,300 feet vertical depth, the drivings, cross-cuttings, and other development work have failed to disclose the deposits of payable reef that had been expected to be found in depth, and for the June half of 1914 the grade of ore mined in this celebrated Cornish tin property has receded to a yield of 28½ lb. of black tin per ton of ore, or the lowest in the record of the Company since its reorganisation in 1895. Half-year by half-year for several years past the receipts per ton of ore, consequent on the reduction in grade and fluctuations in the price of the metal produced, have receded. For the June half of 1911 the receipts were £2 10s. 3d. per ton; for the corresponding half-year of 1914 they had sunk to £1 4s. 0½d. Consequent on the combined effect of lower grade and the fall in price the value secured per ton of ore extracted is lower than in any half-year since 1897, and the net outcome has been a mine profit of only 2d. per ton of ore dealt with.

The effect of the combination of adverse circumstances, lower grade, and a diminution in the prices realised for metal produced, with but slight set-off in the way of reduction of expenses, is indicated in the following figures:—

Half-year to	Ore Treated Tons	Black Tin Sold Tons	Yield per Ton Lb.	Average Price per Ton of Black Tin £ s. d.	Profit per Ton of Ore £ s. d.	Dividend %
June 30, 1911 ...	40,315	852	47 38	117 8 6	18 0	7½
Dec. 31, 1911 ...	46,343	853	41-23	115 12 6	15 4	10
June 30, 1912 ...	48,566	796	36-73	122 14 7	13 5	7½
Dec. 31, 1912 ...	60,631	868	32-09	137 10 11	15 4	12½
June 30, 1913 ...	58,304	787	30-23	134 13 0	11 0	5
Dec. 31, 1913 ...	56,409	738	29-31	107 18 7	3 7	2½
June 30, 1914 ...	57,254	728	28-50	92 14 5	0 2	—

The contrast of receipts, costs, and profits per ton of ore treated supplemental to above figures is as under:—

Average Price per Ton of Ore	Six Months ended	Receipts	Costs and Royalty	Profit
£ s. d.	Months ended	£ s. d.	£ s. d.	£ s. d.
49 7½	June 30, 1911 ...	2 10 3	1 12 2½	18 0½
42 7	Dec. 31, " ...	2 3 1½	1 7 9½	15 4½
40 3	June 30, 1912 ...	2 1 4½	1 7 11½	13 4½
39 5	Dec. 31, " ...	1 19 0½	1 3 8½	15 4½
38 4	June 30, 1913 ...	1 16 8½	1 5 8½	11 0
28 3	Dec. 31, " ...	1 8 7½	1 5 0½	3 7
23 7	June 30, 1914 ...	1 4 0½	1 3 10½	0 2

For the June half of 1914 the position was a working profit of £511, which, added to the unappropriated profit brought forward, makes a total of £11,270. In respect of this amount, which is carried forward, it has to be noticed that there have been no appropriations for writings-off or depreciation.

The Manager's report of work done discloses that scarcely any fresh ground of payable character has been encountered, and in some directions driving work has been in lode of such poor character that work has been partially stopped.

Grenville United.—Issued capital, 163,084 fully-paid 10s. shares and 16,916 7s. 6d. per share paid up.

The quantity of ore treated, the yield of metal per ton of ore dealt with, the amount of black tin produced, and the average price it realised, together with the total value and net profit of recent half-years, are given below:—

Six Months to	Tons Crushed	Yield of Tin Tons	Yield per Ton Lb.	Average Price per Ton £ s. d.	Gross Value £	Net Profit £
Dec. 31, 1911 ...	19,306	319½	34.46	118 8 4	39,237	10,734
June 30, 1912 ...	21,166	356½	41.02	127 1 10	47,012	13,794
Dec. 31, 1912 ...	22,066	368½	39.23	140 3 9	54,129	18,662
June 30, 1913 ...	22,227	349	36.87	137 13 4	50,023	17,993
Dec. 31, 1913 ...	21,770	316	34.67	108 3 9	36,725	5,668
June 30, 1914 ...	21,483	291	31.30	92 5 6	28,181	1,869*

* Loss.

Dividends (also bonuses) per fully-paid share:—

1911 Aug. ...	... -/4	1913 Feb. ...	... 1/4
1912 Feb. ...	... 1/-	" May ...	... -/6
" May ...	... -/8	" Aug. ...	... 1/-
" Aug. ...	... 1/4	" Dec. ...	... -/2
" Dec. ...	... -/8	1914 Feb. -

RAND DEVELOPMENTS.

Bantjes.—Recent developments are shown below:

	Main Reef Leader			South Reef		
	Distance Exposed Ft.	Width In.	Assay s. d.	Distance Exposed Ft.	Width In.	Assay s. d.
1913.						
Sept. qr. ...	640	17	£2 7	2,395	10	105 0
Dec. qr. ...	435	12	87 4	1,590	9	99 6
1914.						
Mar. qr. ...	535	18	52 1	1,540	12	61 9
June qr. ...	795	22	33 7	1,420	12	£5 10

For some months past developments have been in a poor zone, but there are indications that operations at further depth will disclose improvement.

Ferreira Deep.—Recent developments:—

Year to Sept. 30	M.R. Leader			South Reef		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1913 ...	2,734	37	75 7	2,703	19	79 10
1913-14.						
Dec. qr. ...	592	33	42 0	1,119	16	75 7
Mar. qr. ...	918	31	71 5	965	16	96 7
June qr. ...	1,151	23	79 10	828	16	134 5

Geduld.—Development results given below:—

	Feet Sampled		Inches		Shilling-Inches	
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1913.						
Sept. qr. ...	1,235	57 7	30.9	1,560		
Dec. qr. ...	1,125	38 8	38.7	1,551		
1914.						
Mar. qr. ...	1,245	36 1	35.2	1,267		
June qr. ...	1,375	30 7	38.1	1,162		

The working profit per ton for the June quarter was 8s. 5d.

Geldenhuis Deep.—Development work has shown:—

Period	Main Reef			M.R. Leader			South Reef		
	Dist. Exposed Feet	Av. Width Inches	Av. Assay	Dist. Exposed Feet	Av. Width Inches	Av. Assay	Dist. Exposed Feet	Av. Width Inches	Av. Assay
1913.									
Sept. qr. 2,254	22	39/6	£57	9	91/7	1,152	15	72/8	
Dec. qr. 1,603	27	30/8	1,597	8	76/0	2,745	14	£2 6	
1914.									
Mar. qr. 1,646	27	46/7	727	8	79/3	1,215	16	69/9	
June qr. 2,081	30	37/10	939	11	70/6	2,278	16	71/5	

This Company's working profit for the June quarter was £36,310, or £9,599 more than in the March quarter, in part due to a decline of 1s. 8d. per ton in working costs, though gold per ton was 11d. lower.

Knight Central.—Of the quarterly development work sampled the showings have been:—

	% of Pay Footage	Assay Value
Sept. qr. 1913 ...	41	28/0
Dec. qr. " ...	35	31/0
March qr. 1914 ...	35.3	31/5
June qr. " ...	37 8	33/2

The ore reserves at June 30 were as under:—

Total	Tons	Value s. d.	Width Inches
...	506,400	33 2	60

Modder B.—Main Reef developments as under:—

	Distance Exposed Feet		Width Inches		Assay Value s. d.		Inch-Shilling Value	
	Feet	Inches	Feet	Inches	s. d.	s. d.	s. d.	s. d.
1913. Sept. qr. ...	2,061	13	160 8	1,950				
" Dec. qr. ...	2,225	13	116 9	1,517				
1914. Mar. qr. ...	2,194	15	72 8	1,089				
" June qr. ...	2,271	13	98 3	1,277				

The Company's working costs for July were reduced to 15s. per ton.

Modderfontein.—Recent Main Reef developments as under:—

	Distance Exposed Feet		Width Inches		Assay Value s. d.		Shilling-Inch Value	
	Feet	Inches	Feet	Inches	s. d.	s. d.	s. d.	s. d.
12 mos. to June 1913 ..	9,776	11	156 0	1,725				
1913. Sept. qr. ...	1,439	10	126 3	1,262				
" Dec. qr. ...	2,459	10	229 9	2,297				
1914. Mar. qr. ...	2,573	13	193 7	2,515				
" June qr. ...	2,669	10	204 9	2,047				

Working costs for the June quarter were reduced by 10d. to the "low record" of 15s. 3d. per ton. Capital expenditure for the three months amounted to £35,890, leaving the unexhausted working capital at £52,258. The ore reserves are now being re-estimated and re-valued, and indicate a generally improved position. Reef disclosures have on the whole been favourable.

Nourse Mines.—Recent development results:—

Period	Main Reef			M.R. Leader			South Reef			
	Dist. Exposed	Width	Assay	Dist. Exposed	Width	Assay	Dist. Exposed	Width	Assay	
1913.	Feet	Inches	s. d.	Feet	Inches	s. d.	Feet	Inches	s. d.	
12 mos. June 1,040	42	29	6	1,699	14	74	9	2,610	19	49 10
1913. Sept. qr. 735	42	35	11	1,380	21	61	9	1,925	28	49 0
" Dec. qr. 900	39	33	7	1,115	15	69	4	1,291	28	44 11
1914. Mar. qr. 540	43	24	9	610	11	89	6	650	25	64 8
" June qr. 780	42	22	9	1,005	17	42	5	1,150	24	50 5

Princess Estate.—Recent developments below:—

Period	Main Reef			South Reef		
	Distance Exposed	Width	Assay	Distance Exposed	Width	Assay
1913. Sept. qr.	Feet	Inches	s. d.	Feet	Inches	s. d.
" Dec. qr.	375	36.7	35 8	720	25	38 8
" Mar. qr.	225	37.2	31 10	835	25	29 9
1914. Mar. qr.	345	41.8	27 7	990	25	33 2
" June qr.	425	45.5	21 0	900	25	35 8

Rose Deep.—Recent developments are shown below:

Period	Main Reef			M.R. Leader			South Reef		
	Feet	Width	Assay	Feet	Width	Assay	Feet	Width	Assay
1913. Sept. qr.	685	37	24	915	25	26 5	353	18	63 9
" Dec. qr.	577	35	23 9	586	12	50 4	414	12	31 7
1914. Mar. qr.	668	35	32 4	546	22	21 0	145	33	31 1
" June qr.	663	34	36 6	604	23	20 5	184	31	22 3

Simmer Deep.—Quarterly developments below:—

Period	Main Reef			M.R. Leader			South Reef		
	Dist. Exposed	Width	Assay	Dist. Exposed	Width	Assay	Dist. Exposed	Width	Assay
1913.	Feet	Inches	s. d.	Feet	Inches	s. d.	Feet	Inches	s. d.
1913. Sept. qr.	770½	29.9	41 2	114	42.9	21 3	117½	42.3	34 5
1914. Mar. qr.	636	22.6	48 5	33	27.2	11 0	522½	39.0	35 8

Sub-Nigel.—Recent development returns have shown as under:—

Period	Distance Exposed			Sampled			Width			Assay		
	Feet	Inches	s. d.	Feet	Inches	s. d.	Feet	Inches	s. d.	Feet	Inches	s. d.
1913. Sept. qr.	1,275	915	10	55	10	...	...	...	...
Dec. qr.	1,663	1,285	13.5	117	0	...	...	...	...
1914. Mar. qr.	1,582	1,100	10.4	112	6	...	...	...	...
June qr.	1,035	695	8.8	137	8	...	...	...	...

Witwatersrand Deep.—The development indications in respect of pay ore have been as follows:—

Period	Total Sampled			In Payable Ore			Assay		
	Ft.	In.	s. d.	% of Total	Width	In.	Ft.	In.	s. d.
1913. Sept. qr.	2,276	1,750	76.89	45.87	46	2	...	...	...
Dec. qr.	2,440	1,822	74.67	51.98	29	8	...	...	...
1914. Mar. qr.	2,353	1,642	69.78	48.80	33	9	...	...	...
June qr.	2,291	1,775	69.32	40.31	39	6	...	...	...

The ore reserves at June 30, 1914, were returned as 1,704,997 tons, value 28s. 10d. over a width of 53½ inches.

SHAMVA.

HAD there been normal conditions in the Stock markets, the publication of the July results of this Company would in all probability have led to an appreciable hardening of the price of the shares. The operations of the month resulted in a distinct improvement in the extraction of gold, the value secured having been 15s. 2d. per ton, or the highest yet obtained. Furthermore, there was an increase in the quantity dealt with to slightly more than 50,000 tons, or at the rate of over 600,000 tons per annum. Working costs, which were 7s. 6d. in May and 7s. 7d. in June, hardened to 7s. 10d. per ton, and the net outcome as to profit was 7s. 4d. per ton—the best yet attained. The gross profit results of July multiplied by twelve represent an annual rate of profit exceeding £220,000. It looks, therefore, if such rate of profit results be continued, as if there is the possibility of enough profit being secured to provide for from 30 per cent. to 35 per cent. dividend in respect of the

issued £600,000 of capital. The figures are given below:—

Shamva.—Issued capital £600,000.

1914	Tons Crushed	Value £	Per Ton	Ex-penses*	Per Ton	Profit £	Per Ton	Price of Share
Feb. ...	18,478	5,461	—	—	—	—	—	2½
Mar. ...	31,855	14,233	—	—	—	—	—	2½
Apr. ...	39,012	27,412	14/1	15,280	7/10	11,200	5/9	2½
May ...	46,730	22,489	9/8	17,489	7/6	5,000	2/2	2½
June ...	46,787	28,561	12/2	17,705	7/7	10,856	4/7	2½
July ...	59,322	33,453	15/2	19,851	7/10	18,604	7/4	1½

* Inclusive of royalty.

Bullfinch.—Issued capital £476,150, in £1 shares. Estimated mine results returned as under:—

Year ends	Tons Crushed	Value £	Per Ton	Ex-penses*	Per Ton	Profit £	Per Ton	Price end of Period
Dec. 31 10½ mos. 1914.	32,619	143,809	54/7	55,130	26/11	90,769	33/8	10/0
Mar. qr. ...	17,624	30,303	34/4	16,219	19/1	13,484	15/3	7/0
June qr. ...	18,818	27,349	29 1	15,740	15 9	11,609	12 4	6 3
July ...	6,590	8,220	25 1	5,740	17 6	2,480	7 7	6 0

* Including development.

Dividends—Oct. 1913, 5 per cent. Feb. 1914, 5 per cent.; August, 3½ per cent. (payable September 29).

The Company has announced a dividend of 9d. per share. In the circumstances no dividend distribution had been looked forward to and the announcement rather appears to be partaking of a straining after effect. We should imagine that a conservative course should have been adopted and resources retained for the purpose of increasing development work, with a view to enlargement of plant in case the developments justified such a policy.

Alaska Group.—Dividends announced August 18 have fallen due this week for payment—namely, Alaska Treadwell \$1, the same as for the like period last year; Alaska Mexican 20 cents, comparing with 30 cents a year previously; and Alaska United 20 cents, against 60 cents.

West Rand Consolidated Mines, Limited.—Interest coupon No. 10 of this Company's Six per Cent. Debentures, due September 1 next, will be paid on that date.

Aurora West United.—There are in issue 212,705 10s. shares, and a favourable opportunity will be taken for a further issue to deal with floating debt, the total authorised capital being £300,000, in 600,000 10s. shares. About £116,000 net floating indebtedness at December 31, 1913; now about £105,000. Plant—80 stamps; capacity increased to 15,000 tons per month.

Years ends	Tons Sort Milled	Revenue £	Per Ton	Expenses £	Per Ton	Profit £	Per Ton	Price end of Period
Dec. 31 1913 ...	80	170,661	20½	227,352	26/8	163,564	19/9	68,783 6/11 ½
1914. Mar. qr. 80	39,941	21½	48.54	24/3	40,965	20/6	7,582	3/9 ½
June qr. 80	38,166	—	47.619	24/11	41,664	21/10	5,925	3/1 ½
July ... 80	14,822	—	18.496	27/11	13,978	18/11	4,518	6 0 ½

Incorporated
A.D. 1720



Governor:
Sir Neville Lubbock,
K.C.M.G.

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Plate-Glass, Burglary,
Employers' Liability,
Live Stock, Third Party,
Fidelity Guarantees.

Annuities.
Special Terms
are granted in
cases where health
is impaired.

The Corporation is prepared to act as TRUSTEE and EXECUTOR.
Apply for full particulars of all classes of Insurance to the Secretary—
Head Office: ROYAL EXCHANGE, LONDON, E.C.
West End Branch: 44 FILL MALL, N.W.

TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 26, 1914.

Issue Department.

Notes Issued.....	\$61,192,875	Government Debt.....	\$11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion.....	42,742,875
	\$61,192,875		\$61,192,875

Banking Department.

Proprietors' Capital.....	\$14,553,000	Government Securities	\$28,778,971
Res.	3,691,916	Other Securities	108,904,670
Public Deposits	23,886,765	Notes	25,621,440
Other Deposits	123,892,658	Gold and Silver Coin	730,537
Seven-day and other Bills	11,278		
	\$168,035,618		\$168,035,618

Comparison with Four Previous Weeks.

[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.	Securities.	Re-serve.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	Govt.	Other.	
July 29	29.7	38.1	12.7	54.4	11.0	47.3	28.9
Aug. 5	36.1	27.6	11.5	56.7	11.0	65.3	9.9
— 12	35.9	33.0	7.9	83.3	23.0	70.8	15.5
— 19	37.2	37.9	13.7	108.1	26.0	94.7	19.2
— 26	35.6	43.5	23.9	123.9	29.8	109.9	26.3

* July 30, 1914. † July 31, 1914. ‡ August 1, 1914.
§ August 6, 1914. ¶ August 8, 1914.

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
Aug. 20, Thursday ...	1,030,000 bars. 278,000 U.S. coin.	Nil.
" 21, Friday ...	224,000 bars. 10,000 U.S. coin.	25,000 Malta.
" 22, Saturday ...	20,000 bars. 5,000 U.S. coin.	Nil.
" 24, Monday ...	1,539,000 bars. 433,000 U.S. coin. 54,000 Brazil. 163,000 U.S. coin.	12,500 Straits.*
" 25, Tuesday ...	125,000 bars. 36,000 Brazil. 50,000 Uruguay. 100,000 Argentina.	Nil.
" 26, Wednesday ...	179,000 U.S. coin. 38,000 bars.	Nil.
Total for week ...	4,334,000	37,500
Net aggregate ...	[£296,500 inflow for week.]	
Aug. 27, Thursday...	61,000 U.S. coin. 838,000 bar gold.	23,000 Gibraltar.
" 28, Friday ...	116,000 U.S. coin. 25,000 bars.	Nil.

* Note Guarantee Fund.

Gold.—From Messrs. PIXLEY & ABELL'S Circular, Aug. 27, 1914.

There has been no arrival of bar gold this week, shipments from South Africa having ceased. Although, as stated in our Circular of last week, the shipment of gold to India is not prohibited, still such shipments, whether to India or other British Dependencies, have been and are practically impossible, as since the beginning of the war importers have been obliged to sell all arrivals of gold to the Bank of England. Now that shipments from Africa have ceased there are no supplies to meet any inquiry. Since our last the Bank has received £2,834,000 in bar gold, gold placed to the credit of the Bank of England in Cape Town and Ottawa being included in this figure, £851,000 in United States gold coin, £90,000 from Brazil in sovereigns, £50,000 from Uruguay, and £100,000 from Argentina, while £25,000 has been withdrawn for Malta, £23,000 for Gibraltar, and £12,500 has been set aside for the Straits Settlements Note Guarantee Fund. Imports: Nil. Exports: Nil.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation	\$28.3	\$30.0	\$29.2	\$29.2	\$35.6
Public Deposits	6.8	10.8	17.2	9.9	23.9
Private Deposits	41.4	42.8	45.4	44.4	123.9
Government Securities	14.2	14.8	13.4	12.4	29.8
Other Securities	25.1	28.8	36.4	27.6	109.9
Reserve	26.6	30.2	31.0	32.3	26.3
Ratio to Liabilities	55.2%	56.33%	49.46%	59.64%	17.83%
Bullion (both Departments).....	36.5	41.7	41.7	43.1	43.5
Money:					
Bank of England Rate	3%	3%	4%	4½%	5%
Bank of France Rate.....	3%	3%	3%	4%	5%
Rate 3 months' Bills London ...	2½%	3%	3½%	3½%	4½%
Exchanges:					
Paris Cheques	25 26	25 25½	25 28½	25 25	nom.
Hamburg 8 days	20 45	20 48	20 45	20 43½	nom.
New York 60 days	4 85½	4 85-85	4 84-20	4 82-85	nom.
Bombay Telegraphic Transfers ..	1/4	1/4	1/4½	1/4	1/3½
Prices:					
Consols 2½% Cash	88½	77½	75½	74½	69½
French Rente 3% Money	98 20	94 50	92 75	88 72	75
Silver, London spot	-26½	-72½	-72½	-72½	-72½
Wheat, <i>Gazette</i> average.....	28 8	31 8	35 6	33 7	38 9
Cotton, Mid. Upland	-6 50	-6 92	-6 44	-6 92	-6 20
Iron, Scotch pig.....	51/90.	63/104	69/74	62 0	57 3

ARGENTINA—Gold in Oaja de Con-

version (at 4s. per peso).

1914—June 11	\$43,311,319
" 18	43,138,118
" 25	42,890,991
" 30	42,600,000
July 6	42,029,000
" 18	40,725,375
" 25	39,898,202

BRAZIL—Gold in Caixa de Con-

version (at 162. per milre).

1914—July 4	\$12,281,538
" 11	11,639,831
" 18	11,135,592
" 25	10,945,617
Aug. 1 ... (lowest)	10,453,256
1913—Dec. 31	20,721,521
Feb. 12 (maximum)	26,772,300

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 7, '14 ...	£52,119	£12,047	£64,166	£8,310	£94,054
July 15, '14 ...	£61,966	£12,068	£84,132	£7,934	£90,517
July 23, '14 ...	£51,578	£12,141	£63,719	£7,772	£88,740
July 23, '13 ...	£50,579	£10,794	£61,373	£9,305	£90,527
July 23, '12 ...	£51,831	£12,272	£63,903	£5,062	£87,878

BELGIUM.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 23, 1914...	£10,465	£2,763	£13,228	£28,155	£39,056
July 30, 1914...	10,466	2,241	12,707	33,433	44,768
Aug. 6, 1914...	10,977	633	11,610	41,925	51,800

Aug. 7, 1913...	9,453	2,770	12,223	27,835	39,460
Aug. 6, 1912...	8,076	2,699	10,775	25,865	37,108

DENMARK.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
May 30, 1914 ...	£4,557	£4,915	£1,339	£602	£8,737
June 30, 1914 ...	4,565	5,309	1,102	602	8,879
July 31, 1914 ...	4,352	6,197	788	588	8,693

July 31, 1913 ...	4,153	4,778	1,181	508	8,193
July 31, 1912 ...	4,238	4,588	808	632	7,792

FRANCE.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 16, 1914...	£163,707	£28,407	£190,114	£64,632	£241,787
July 23, 1914...	164,176	25,584	189,760	61,643	236,476
July 30, 1914...	165,654	25,013	190,667	97,768	287,327

July 31, 1913...	134,489	25,096	159,584	73,616	227,073
Aug. 1, 1912...	131,467	32,071	163,538	51,649	208,587

GERMANY.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 7, '14...	£65,556	£15,737	£81,292	£51,804	£108,615
July 15, '14...	67,204	18,238	83,442	43,368	99,728
July 23, '14...	67,843	18,727	84,570	40,055	94,545

July 23, '13...	57,835	14,852	72,687	51,965	91,300
July 23, '12...	48,954	17,514	66,468	58,869	53,869

HOLLAND.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
Aug. 8, 1914 ...	£13,499	£53	£13,552	£16,005	£11,679
Aug. 15, 1914 ...	13,499	51	13,550	15,763	11,428
Aug. 22, 1914 ...	13,510	87	13,597	15,407	11,234

Aug. 23, 1913 ...	12,280	765	13,045	5,539	6,913
Aug. 24, 1912 ...	11,945	850	12,795	6,600	6,242

ITALY.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
June 30, '14 ...	£48,283	£18,967	£3,346	£4,027	£8,153
July 10, '14 ...	48,200	18,168	3,301	3,518	8,176
July 20, '14 ...	48,338	17,879	3,312	3,127	8,175

July 20, '13 ...	49,333	17,149	2,843	2,950	5,700
July 20, '12 ...	48,034	16,098	2,714	3,960	6,693

N.YORK TRUST COS.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 18, '14...	\$286,310	\$81,956	\$14,700	\$76,656	\$284,234
July 25, '14...	288,158	83,808	14,892	78,500	285,734
Aug. 1, '14...	285,140	59,984	14,816	74,810	290,916

Aug. 2, '13...	270,992	59,182	14,886	74,068	273,980
Aug. 3, '12...	277,894	58,984	16,332	75,318	285,844

NORWAY.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 31, 1914...	£2,960	£1,678	£493	£4,868	£6,752
Aug. 7, 1914...	3,091	1,557	496	6,468	8,369
Aug. 15, 1914...	3,168	1,527	498	6,588	8,088

Aug. 15, 1913...	2,432	1,794	503	3,931	5,864
Aug. 15, 1912...	2,314	1,156	518	3,586	5,299

RUSSIA.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
July 21, '14...	£174,509	£7,322	£181,892	£18,431	£76,081
Aug. 5, '14...	171,806	6,859	178,667	Def. 7,311	101,170
Aug. 14, '14...	172,167	6,316	178,483	Def. 5,362	120,219

Aug. 14, '13...	161,806	7,720	169,526	22,381	83,667
Aug. 14, '12...	155,174	8,150	163,324	29,232	60,382

SPAIN.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
Aug. 1, '14...	£21,804	£29,187	£50,991	£40,572	£13,778
Aug. 8, '14...	21,811	27,937	49,748	44,320	13,778
Aug. 14, '14...	21,813	27,463	49,276	45,940	13,778

Aug. 16, '13...	18,480	29,745	49,225	43,776	13,778
Aug. 17, '12...	17,078	30,036	47,115	39,569	13,778

SWEDEN.	Cash.	Ad-ances.	Note Cir'ation.	Above-or beneath legal max.	Other Securities.
	Gold.	Silver.	Total.		
Aug. 1, '14 ...	£5,717	£6,150	£1,555	£7,495	£13,432
Aug. 8, '14 ...	5,723	3,373	144	10,503	15,662
Aug. 15, '14 ...	5,727	2,857	158	10,234	15,372

Aug. 16, '13 ...	5,703	3,624	1,264	7,380	11,362
Aug. 17, '12 ...	5,377	5,764	1,315	5,510	10,938

SWITZERLAND.	Cash.			Discounts & Advances.	Circulation.	Deposits.
	Gold.	Silver.	Total.			
July 23, 1914...	£7,202	£759	£7,961	£4,817	£10,716	£2,028
July 31, 1914...	7,875	238	7,913	10,391	16,371	3,120
Aug. 7, 1914...	8,034	287	8,301	12,268	17,213	3,290
Aug. 7, 1913...	8,740	1,201	7,941	4,879	10,893	1,984
Aug. 7, 1912...	8,783	537	7,332	5,378	10,900	1,847

II.—FOREIGN RATES OF DISCOUNT.

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterd.	Brussels.	Vienna.
Aug. 27, 1914	5 1/2	8 1/2	5 1/2	7 1/2	8 1/2
Aug. 29, 1913	4 1/2	8 1/2	5 1/2	5 1/2	8 1/2
Aug. 20, 1914	5 1/2	8 1/2	5 1/2	7 1/2	8 1/2
Oct. 31, 1913	5 1/2	8 1/2	5 1/2	7 1/2	8 1/2

Comparison of Market Rates.

Date.	Paris.	Berlin.	Amsterd.	Brussels.	Vienna.
July 18, 1914	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
July 23, 1914	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
July 30, 1914	3 1/2	4 1/2	5 1/2	5 1/2	5 1/2
Aug. 28, 1913	3 1/2	4 1/2	5 1/2	5 1/2	5 1/2

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—	July 30, '14	July 23, '14	July 18, '14	Aug. 28, '13
Amsterdam ...	Cheques	128.34	128.24	128.24
Antwerp ...	3 months	251.55	251.52	251.52
Berlin ...	do.	20m. 87p.	20m. 87p.	20m. 87p.
Genoa ...	do.	20m. 65p.	20m. 65p.	20m. 65p.
Hamburg ...	do.	20m. 87p.	20m. 87p.	20m. 87p.
Lisbon ...	do.	45p.	45p.	45p.
Madrid ...	do.	45p.	45p.	45p.
Paris ...	Cheques	241.92 1/2	251.1 1/2	251.18 1/2
St. Petersburg ...	3 months	251.38 1/2	251.38 1/2	251.38 1/2
Vienna ...	do.	24k. 50c.	24k. 43c.	24k. 57c.

Foreign Rates of Exchange on London, &c.

	Aug. 27, '14	July 23, '14	July 18, '14	Aug. 28, '13
Alexandria ...	Sight	97 1/2	97 1/2	97 1/2
Amsterdam ...	Sight	128.34	128.24	128.24
Berlin ...	Sight	20m. 87p.	20m. 87p.	20m. 87p.
Brussels ...	Cheques	251.55	251.52	251.52
Genoa ...	90 days	251.12 1/2	251.12 1/2	251.12 1/2
Calcutta ...	Telegraph	491.	491.	491.
Constantinople ...	Bank 3m.	110 05	110 05	110 05
Hankow ...	8 days	20m. 50p.	20m. 48p.	20m. 42p.
Hong Kong ...	Transfers	1s. 9 1/2	1s. 9 1/2	1s. 11 1/2
Italy ...	Sight	271.03	271.03	271.03
Japan ...	Transfers	2s. 0 1/2	2s. 0 1/2	2s. 0 1/2
Madrid ...	Sight	24p. 50	24p. 12	24p. 10
Mexico ...	Gold prm.	—	—	—
Mexico ...	Sight	17d.	17d.	17d.
Montevideo ...	90 days	52 1/2	51 1/2	51 1/2
New York ...	Sight	84 93.45c.	84 88.10c.	84 86.05c.
New York ...	60 days	nom.	84 85.75c.	84 82.85c.
New York ...	Cables	85 00c.	84 89.50c.	84 86.45c.
Paris ...	Cheques	251.22 1/2	247.93c.	251.24 1/2
Rio de Janeiro ...	80 days	141.	15 1/2	16 1/2
St. Petersburg ...	3 months	105.0	95.10	94.03
Shanghai ...	Transfers	2s. 4 1/2	2s. 5 1/2	2s. 8 1/2
Strait ...	Transfers	2s. 3 1/2	2s. 3 1/2	2s. 4 1/2
Valparaiso ...	90 days	94	94 1/2	94 1/2
Vienna ...	Short	24k. 55c.	24k. 21 1/2	24k. 15 1/2
Bar Gold, standard, per oz.		77s. 9d.	77s. 9d.	77s. 9d.
U. S. Gold coin, per oz.		76s. 4d.	76s. 4d.	76s. 4d.
Bar Silver (925), per oz.		253.	253 1/2	253 1/2
Mexican Dollars ...		27d. num.	27d. num.	27d. num.

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Ino. or Dec.	1914 Aug.	Ino. or Dec.
BIRMINGHAM...	Aug. 22	1,290,549	+ 198,455	52,777,824	+ 2,812,087
Bristol...	" 22	510,000	+ 103,000	24,127,000	+ 952,000
DUBLIN...	" 22	2,848,300	+ 18,700	13,281,300	+ 2,202,500
LEEDS...	" 22	361,803	+ 28,044	17,244,104	+ 360,310
LIVERPOOL...	" 22	228,829	+ 9,572	10,378,253	+ 481,553
MANCHESTER...	" 22	3,044,037	+ 825,050	159,994,857	+ 1,187,339
NEWCASTLE...	" 22	3,959,093	+ 2,047,968	228,587,927	+ 11,877,614
NOTTINGHAM...	" 22	1,177,300	+ 94,700	39,832,250	+ 1,031,890
SHEFFIELD...	" 22	209,888	+ 10,558	12,867,547	+ 868,076
TOTAL...	" 22	14,050,534	+ 2,740,419	875,442,913	+ 8,186,991
WEEKLY AVER. 1914		19,865,968	+ 181,970		+ 0.9
WEEKLY AVER. 1913		19,985,571	+ 1,024,088		+ 5.8
WEEKLY AVER. 1912		18,978,360	+ 948,927		+ 3.1
WEEKLY AVER. 1911		18,042,970	+ 548,718		+ 6.1

LONDON—	1914.	1913.	1912.	1911.
TOWN...	117,554	102,865	9,316,650	33,993
METROPOLITAN...	12,246	371	581,293	7,071
COUNTRY...	20,832	1,538	911,823	4,423
TOTAL...	150,432	104,772	10,809,566	31,335

The following special items are included in the London clearing:—

STOCK EXCHANGER SETTLING DAYS.			CONSOLS SETTLING DAYS.			"FOURTH" OF THE MONTH.		
1914.	£	+ or -	1914	£	+ or -	1914	£	+ or -
June 26	84,137	+ 4,269	May 8	53,873	+ 2,090	June 4	45,555	+ 11,107
July 10	98,835	+ 16,329	June 2	74,323	+ 2,023	July 4	85,373	+ 9,490
July 29	102,329	+ 15,032	July 1	97,394	+ 23,527	Aug. 7	60,785	+ 14,530
1914 Aug. 1, 1913	1,323,914	+ 55,015		515,568	+ 58,083		477,934	+ 23,032

* Compared with a year ago.

V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—

HOMEWARDS.	1914.	1913.	HOMEWARDS—continued.	1914.	1913.
Alexandria to Lond. or Hull	11/8	11/8	U.S. Atl. Ports to L.H.B.	45/0	45/0
Australia to U.K. or Cont.	27/6	31/0	(bottom)	—	—
Assot to L.H.A.R.	13/9	13/9	U.S. to U.K. (rr.) 2/3	Francos 2/9	2/9
Bombay to pp.	d.w. 19/0	d.w. 23/8	N.O. to U.K. (rr.) 2/3	Francos 3/3	—
Burmah o.o.	—	—	OUTWARDS.—Oceania	—	—
Bombay to pp.	27/6	27/6	Bom. Col. Port River St. Vin.	—	—
Sullia ... new charter	12/0	12/0	Year. bay. omba. Said. Plate. cent.	—	—
Odessa to L.H.A.R.	12/6	12/6	1914 ... 10/6	11/0	13/6
R. Pistie to U.K., Cont.	15/3	18/9	1913 ... 12/8	13/7	8/8

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	AUGUST 29.	1914.	1913.	1912.
METALS.				
Iron—Scottish pig warrant	ton	80/10	82/0	89/7 1/2
—Middlebrook warrants	ton	80/10	85/0	83/7
—Hematite warrants	ton	81/0	87/0	77/8
—Staffordshire bars, London	ton	£9	£9 10	£9 10
—Common bars	ton	£7 17/8	£7 12/8	£8 5
—Stock, Scotch, Aug. 27...	tons	1,000	1,005	1,000
—Middlebrook	tons	98.175	187.183	228.951
—W. O. hematite	tons	111	185.50	34.219
Steel Rails	ton	£8 15	£8 12/8	£8 12/8
Copper—Standard	ton	£25 10	£27 1	£28 15-78 1/3
—Stock, Europe and Africa	tons	28.870	28.142	44.999
Tin—English Ingots	ton	nom.	£200	£215 10-216
—Straits	ton	nom.	£183 5	£211 10-211 15
—Tinplates—Oboroal I.O.	box	nom.	£130	£153-15 8
Lead—Soft	ton	nom.	£20 7/8	£21-22 1/2
Spelter—Ord. Foreign	ton	nom.	£21 2/8	£25 10-228 15
—Silesian Ordinary	ton	nom.	£22 2/8	£22 17/8
Quicksilver—(75 lb.)	bottle	£7	£7 5	£7 13/8-47 15
Aluminium	ton	£22	£28 5	£28-480
Antimony—Regulus	ton	£35-£39	£28 10-£31 10	£28 5-£20
Coal—Best London	ton	20/0	21/8	22/0
—Steam (best) Newcastle	ton	14/0	15/8	14/0
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical ows.	ton	11/3	11/0	11/8
Soda—Crystals ex ship	ton	nom.	£2 2/8-£2 5	£2 2/8-£2 5
Dyes—Coch. Teneifex Silver	lb.	2/0-2/3	1/10-2/0	1/9-2/3
Indigo—Bengal good to fine	lb.	4/6-4/8	3/0-3/8	3/2-3/8
—Stock, July 31	cheats	819	1,697	1,811
Linseed Oil—spot	ton	£28	£25 17/8	£23 10
Linseed—Aug. Sept.	40lb.	—	43/0	£19 8/9
Olive Oil—Spanish	ton	nom.	£48-£49	£48-£50
Palm Oil—Lagos	ton	nom.	£37	£33 10
Petroleum—American	gallon	nom.	8/4	7/8
Rape Oil—Refined English	ton	nom.	£33	£34
Tallow—Brit. Towa	owl.	29/9	35/9	31/3
—Stock, July 31	cheats	1,143	17,330	11,719
Turpentine—Amer. Spirit	owl.	34/0	29/9	31/1 1/2
Rape Seed—Owape, brown	40lb.	5/0	48/9	50/6
Rubber—Para, spot	lb.	2/10 1/2	3/9	5/1 1/2
—Fina plantation	lb.	2/14	2/7 1/2	4/10
—World's Stock, July	tons	11,021	9,559	7,318
TEXTILES.				
Cotton—Mid. Upland	lb.	8/20	8/92	8/44
—Egyptian good fair	lb.	7/90	7/945	7/9
—Pernambuco, fair	lb.	6/73	7/08	7/07
—Mid. Upl. N. York	lb.	10/0	12/00	11 25c.
—Stock, Liverpool, Aug. 21	bales	993,820	812,710	842,410
Flax—St. Petersburg Yarnopol	ton	—	£32 10	—
Hemp—New Zealand	ton	nom.	£30 10	£27 10
—Manila, fair	ton	nom.	£30 10	£27
Jute—First Marks	ton	£35 10	£32 10	£24 10
—Red 800	ton	£31	£29 10	—
Silk—Blue Elephant	lb.	11/8-11/9	10/9-11/0	10/6-10/9
Wool—Prt. Phillip now shed	av. lb.	11/1-11/0	11/1-11/0	11/1-11/0
FOODSTUFFS, &c.				
Wheat—Vlasup, U.S. Aug. 24	ons.	33.214.000	45.449.000	18.883.000
—Red, price, N. Y. 80lb.	bushel	101 1/2	97	107 1/2
—Gazette, aver. price	400lb. qr.	33/9	33/7	35/8
Flour—Load, Whites Mill 280lb.	qr.	38/8	39/8	39/8
Barley—Gaz., aver. price 400lb. qr.	qr.	29/10	28/5	23/1
Hops—English	ton	£8 5-£7	£5 10-£8 10	£10 15-£12
Oats—Gaz., aver. price 32lb. qr.	qr.	24/3	18/8	20/10
Hay—Best	2,018lb. load	£7/0-£7/0	95/0-108/0	105/0-115/0
Malze—N. Y. (New bushel) 56lb.	ton	91 1/2	83 1/2	81 1/2
—Imports since Jan. 1	tons	16,332	8,871	11,883
—Deliveries do.	tons	9,923	11,005	8,373
—Stock	tons	11,101	5,031	7,263
—Price, Basle	tons	6/10 1/2-7/11	8/0-8/4	10/8-11/9
Bacon, Irish	ton	76/0-90/0	75/0-90/0	72/0-90/0
Butter, Danish	owl.	128/0-134/0	120/0-122/0	127/0-129/0
Coza, Trin. mid. to fine red cwt.	owl.	59/0-81/0	72/0-74/0	73/0-75/0
Grenada, good to fine	cwt.	54/8-58/0	57/0-70/8	63/0-61/8
Coffee—Imports since Jan. 1	tons	40,032	29,837	24,209
—Home consumption do.	tons	10,648	10,165	11,189
—Exports do.	tons	18,480	12,675	10,399
—Stock	tons	21,454	15,379	13,493
—Price Costa Rica good to fine cwt.	ton	80/0-83/0	80/0-88/0	83/0-102/8
—Brazil (Santos)	owl.	42/9	42/9	59/0
Sugar—Impta. since Jan. 1	tone	493,378	618,978	497,862
—Deliveries do.	tons	520,558	543,693	520,920
—Stock	tons	74,733	131,240	87,913
—Price, Java, 99% ORO coast	owl.	23/0	10/8 num.	11/8-12/0
—Beet, 88%	owl.	—	9/7 1/2	11 1/2
—French leaves, Say's	owl.	157 624.299	144,095.254	149,200.920
Tea—Imports ... (for 7 mths.) lb.	lb.	183,734.899	175,810.063	169,178.273
—Home consumption do.	lb.	30,472.796	31,768.732	25,761.107
—Exports ... do.	lb.	80,087.000	72,655.000	79,297.000
—Stock, Indian, Pek. Song, good lb.	lb.	—	—	—
—Price, Indian, Pek. Song, good lb.	lb.	—	—	—
—Ceylon, Pek. Song, good lb.	lb.	—	—	—

* It is not possible in all cases to obtain current prices. Quotations given are the latest available.

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS, 17 HOME RAILS, 31 WEEKS TO AUG. 2

[In £'s sterling 000's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Calendonian	1,149	—	£1,226	+ 33	£1,758	+ 68	£3,024	+ 25
Glasgow & S.W.	471	—	555	+ 10	618	+ 23	1,173	+ 13
Great Central	683	+ 1	770	+ 29	2,112	+ 110	2,882	+ 81
Great Eastern	1,207	—	1,852	+ 1	1,530	+ 3	3,382	+ 2
Great Northern	1,032	—	1,605	+ 7	2,302	+ 17	3,907	+ 10
St. E. & W. (Ireland)	1,130	—	442	+ 4	460	+ 23	902	+ 27
Great Western	2,984	+ 18	4,255	+ 90	4,701	+ 12	8,956	+ 102
Lanc. & Yorkshire	600	+ 3	1,678	+ 4	2,024	+ 119	3,700	+ 115
London & N.W.	2,034	+ 1	4,217	+ 60	5,150	+ 161	9,367	+ 101
London & S.W.	984	—	2,061	+ 6	995	+ 7	3,056	+ 12
Lon., Brighton & S.O.	487	—	1,518	+ 4	603	+ 1	2,019	+ 6
Midland	1,584	—	2,878	+ 40	5,289	+ 124	8,167	+ 84
North British	1,375	—	1,176	+ 20	1,843	+ 43	3,019	+ 23
North-Eastern	1,753	+ 2	2,270	+ 66	4,219	+ 149	6,489	+ 83
North London	16	—	98	+ 10	144	+ 8	242	+ 16
S.E. & Chatham Rys.	654	—	2,289	+ 1	695	+ 6	2,984	+ 7
Total for 31 weeks '14	18,126	+ 25	28,936	+ 336	34,344	+ 814	63,280	+ 478
Total for 31 weeks '13	17,916	+ 44	28,209	+ 1,702	34,861	+ 3,724	63,070	+ 5,426
At wk. to Aug. 2, '14	18,126	+ 25	1,658	+ 19	1,121	+ 30	2,779	+ 49
At wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 88	1,140	+ 3	2,795	+ 85

HOME.	Week to	Miles	+ or -	Gross		Net		Total	
				31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Barry	—	68	—	31	£510.174	—	6,753	—	—
Brec. & Mer.	—	61	—	31	86,928	+ 142	—	—	—
Calendonian	—	1,149	—	31	3,024.000	+ 25.00	—	—	—
Jambrian	—	300	—	31	193,872	+ 2,300	—	—	—
Central Lond.	—	7	—	31	153.116	+ 2,378	—	—	—
City & S. Lond.	—	71	—	31	82,703	+ 5,243	—	—	—
Furness	—	139	—	31	323,501	+ 16,834	—	—	—
Glasg. & S.W.	—	471	—	31	1,174,200	+ 12,600	—	—	—
St. Central	—	811	+ 1	31	3,449,600	+ 83,500	—	—	—
St. Eastern	—	1,207	—	31	3,382,200	+ 2,700	—	—	—
St. N. of Scot.	—	336	—	31	316,640	+ 7,230	—	—	—
St. Northern	—	1,032	—	31	3,907,300	+ 10,000	—	—	—
St. N. (Ire.)	Aug. 21	661	—	34	754,700	+ 6,485	—	—	—
St. S. & W. (Ire.)	Aug. 21	1,130	—	34	1,009,161	+ 27,363	—	—	—
St. Western	—	2,984	+ 18	34	8,956,000	+ 102,000	—	—	—
Highland	—	492	—	31	346,871	+ 12,237	—	—	—
Hull & Barnsley	—	90	—	31	433,841	+ 46,319	—	—	—
Lanc. & York.	—	600	+ 3	31	3,700,350	+ 114,600	—	—	—
Lon. & N.W.	—	2,034	+ 1	31	9,367,000	+ 101,000	—	—	—
Lon. & S.W.	—	984	—	31	2,056,400	+ 11,700	—	—	—
Lon. Brighton	—	487	—	31	2,019,433	+ 5,786	—	—	—
Lon. Electric	—	211	—	31	632,635	+ 1,900	—	—	—
Mary. & Car.	—	421	—	31	40,402	+ 11,331	—	—	—
Mersey	—	4	—	31	69,071	+ 289	—	—	—
Metropolitan	—	82	—	31	588,061	+ 42,280	—	—	—
Met. District	—	25	—	31	406,451	+ 353	—	—	—
Midland	—	1,584	—	31	8,167,000	+ 84,000	—	—	—
Mid. Gt. W. (Ire.)	Aug. 21	638	—	34	415,264	+ 8,343	—	—	—
N. British	—	1,375	—	31	3,019,600	+ 22,500	—	—	—
N. Eastern	—	1,753	+ 2	31	4,489,000	+ 83,000	—	—	—
N. London	—	16	—	31	242,395	+ 16,438	—	—	—
N. Staffordshire	—	207	—	31	620,160	+ 17,970	—	—	—
Port Talbot	—	36	—	31	97,277	+ 3,692	—	—	—
Rhond. & Swan.	—	31	—	31	77,775	+ 2,351	—	—	—
Rhymney	—	50	—	31	228,812	+ 8,715	—	—	—
S.E. & Chatham	—	654	—	31	2,994,348	+ 6,997	—	—	—
St. Vale	—	124	—	31	644,099	+ 9,580	—	—	—

INDIAN.	Week to	Miles	+ or -	Rupees.		Rupees.		Rupees.	
				31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Assam Bengal	July 18	851	+ 46	1,12,600	+ 4,963	16	19,81,583	+ 2,39,083	—
Bengal & N.W.	July 18	2,028	—	3,78,590	+ 44,165	18	69,69,250	+ 3,30,434	—
Beng. Nagpur	July 25	2,678	+ 107	5,98,000	+ 44,000	17	1,31,26,000	+ 87,000	—
Bomb. Baroda	July 22	2,827	+ 63	9,17,000	+ 28,000	21	2,44,81,000	+ 3,6,000	—
Burma	Aug. 18	1,342	—	3,55,079	+ 62,084	16	71,56,614	+ 7,22,468	—
East Indian	Aug. 22	2,720	+ 11	19,18,000	+ 15,000	21	4,24,06,000	+ 17,15,000	—
Gt. India-Pen.	Aug. 22	2,965	—	10,94,700	+ 6,87,000	21	3,22,44,714	+ 11,95,107	—
Madras S.M.	July 25	3,132	—	7,15,000	+ 22,160	17	1,52,03,656	+ 7,05,442	—
Nizam's Gnar.	July 18	797	—	1,70,773	+ 6,632	16	28,17,111	+ 3,47,704	—
South Indian	July 25	1,752	+ 3	6,49,720	+ 39,516	17	98,33,376	+ 4,84,727	—
S.outh. Punjab	M. of Apr.	790	—	4,27,723	+ 1,53,543	11	—	—	—

COLONIAL.	Week to	Miles	+ or -	Rupees.		Rupees.		Rupees.	
				31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Can. Northern	Aug. 21	4,670	+ 354	\$307,600	+ 88,600	7	2,575,800	+ 604,800	—
Can. Pacific	Aug. 21	12,227	+ 586	2,154,000	+ 352,000	7	16,593,000	+ 2,679,000	—
Gd. Trk. Pacific	Aug. 21	1,104	—	\$23,602	+ 1,457	7	1,52,003	+ 24,867	—
Grand Trunk	Aug. 21	4,008	—	182,554	+ 13,892	7	1,346,998	+ 106,896	—
Grd. Trunk W.	Aug. 21	336	—	31,623	+ 3,287	7	218,452	+ 1,281	—
Det. Grd. Ha.	Aug. 21	189	—	10,726	+ 754	7	77,562	+ 4,864	—
Mashonaland	M. of June	751	—	58,023	+ 18,569	9	546,118	+ 59,756	—
New Cape Cent.	Aug. 1	205	—	1,457	+ 473	31	57,400	+ 4,585	—
Rhodesia Rlys.	M. of June	1,397	—	80,368	+ 6,078	9	722,704	+ 63,711	—

FOREIGN.	Week to	Miles	+ or -	Rupees.		Rupees.		Rupees.	
				31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Autofagasta	Aug. 23	819	+ 25	£ 23,830	+ 17,540	34	1,180,044	+ 29,448	—
Arg. N. East	Aug. 21	667	+ 2	£ 4,400	+ 2,627	8	38,270	+ 17,814	—
Arg. Transand	Aug. 15	111	—	£ 270	+ 1,180	7	2,150	+ 5,490	—
Brazil	M. of June	3,362	+ 99	£ 202,467	+ 13,684	61	1,302,333	+ 69,151	—
Paulista	M. of June	715	—	£ 116,667	+ 30,794	61	732,000	+ 92,934	—
Mogiana	M. of June	1,094	+ 24	£ 127,200	+ 63	61	644,333	+ 14,102	—
Md. Memore	M. of June	226	—	£ 12,733	+ 20,022	61	121,666	+ 68,851	—
B.A. & Pacific	Aug. 22	3,518	+ 101	£ 42,000	+ 40,000	8	514,000	+ 169,000	—
B.A. Central	Aug. 21	190	+ 25	£ 17,800	+ 7,500	11	267,989	+ 22,374	—
B.A. Gt. So.	Aug. 23	7,729	+ 147	£ 57,000	+ 9,000	8	566,941	+ 136,964	—
B.A. Western	Aug. 23	1,792	+ 11	£ 25,000	+ 12,000	8	279,000	+ 77,000	—
Cent. Argentine	Aug. 22	3,262	+ 205	£ 73,000	+ 52,600	8	744,000	+ 277,400	—
Cent. Uruguay	Aug. 22	271	—	£ 6,951	+ 6,453	8	67,333	+ 25,243	—
" (E. Ext.)	Aug. 22	311	—	£ 1,811	+ 1,221	8	19,545	+ 6,717	—
" (N. Ext.)	Aug. 22	185	—	£ 1,131	+ 2,456	8	11,872	+ 8,923	—
" (W. Ext.)	Aug. 22	211	—	£ 792	+ 1,151	8	8,667	+ 3,229	—
Cord. Central	Aug. 22	1,186	—	£ 34,375	+ 8,535	8	280,370	+ 88,435	—
Cuban Central	Aug. 22	345	+ 8	£ 8,734	+ 1,087	8	60,582	+ 1,456	—
Egyptian Delta	July 20	624	+ 1	£ 6,102	+ 96	16	64,871	+ 1,363	—
Entre Rios	Aug. 22	730	—	£ 5,300	+ 4,800	8	60,000	+ 20,900	—
Gt. W. of Brazil	Aug. 22	1,010	+ 6	£ 6,600	+ 4,400	34	431,600	+ 17,800	—
La Guaira & Ca.	M. of June	23	—	£ 8,000	—	61	59,500	+ 1,000	—
Leopoldina	Aug. 22	1,752	+ 61	£ 20,128	+ 22,587	34	1,047,889	+ 45,075	—
Manila North	Aug. 22	325	+ 21	£ 4,178	+ 488	34	224,341	+ 10,278	—
South	Aug. 22	189	+ 14	£ 2,637	+ 705	34	116,939	+ 4,471	—
Mid Uruguay	M. of July	313	—	£ 5,598	+ 30	1	—	—	—
Nitrate (2 wks.)	Aug. 15	366	—	£ 13,427	+ 7,761	32	435,163	+ 10,946	—
N.W. Uruguay	M. of July	113	—	£ 20,600	+ 5,611	1	—	—	—
Ottoman	Aug. 22	379	—	£ 6,714	+ 1,037	8	54,659	+ 6,283	—
Paraguay Cent.	Aug. 22	255	+ 23	£ 2,050	+ 990	8	17,560	+ 7,190	—
Peruvian Corp.	M. of June	1,059	—	£ 100,341	+ 18,999	12	12,530,954	+ 880,296	—
Puerto Cabello	M. of June	24	—	£ 3,250	+ 500	61	24,500	+ 500	—
Salvador	Aug. 22	100	—	£ 17,500	+ 6,000	8	153,566	+ 7,184	—
San Paulo	Aug. 16	154	—	£ 18,750	+ 33,152	7	230,297	+ 105,171	—
Taitai	M. of July	184	—	£ 24,548	+ 240	1	—	—	—
U. of Havana	Aug. 22	681	+ 9	£ 18,378	+ 1,372	8	148,659	+ 6,953	—
Urug. E. Coast	June 27	73	—	£ 676	+ 180	52	36,756	+ 4,110	—
Urug. Northern	M. of July	73	—	£ 1,489	+ 735	1	—	—	—
W. of Havana	Aug. 22	147	—	£ 5,487	+ 304	8	44,438	+ 2,436	—
Zafra & Hlva.	M. of July	112	—	£ 13,818	+ 3,364	7	99,644	+ 2,064	—

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The Statist.

LONDON, SATURDAY, AUGUST 29, 1914.

THE OUTLOOK—FINANCIAL AND COMMERCIAL.

WE are glad to be able to report a slow but gradual improvement. The action of the Government enabling the Bank of England to discount on so large a scale day after day is telling at last. Immense sums are flowing into the joint-stock banks, and it is possible to a much greater extent than it was even a week ago now to meet engagements. Some of the banks, as the Chancellor of the Exchequer fully acknowledged in the House of Commons on Wednesday, have been doing excellent work in enabling trade to be carried on both at home and abroad. But he added—and, we are sorry to say, not without reason—that others have not behaved as well as might have been expected from them. The Chancellor of the Exchequer, it will be borne in mind, is in constant communication with every branch of trade in every part of the country. All who feel aggrieved appeal to him for redress; and, therefore, he has his finger upon the pulse of the whole business of the country.

He spoke with moderation in the warning he addressed to such of the banks as have not fully acted up to their responsibilities. It is earnestly to be hoped that the warning will be taken to heart. While the improvement is mainly due to the action of the Government and the Bank of England, it has been considerably helped by the manner in which our Navy has been able to keep the seas clear of enemy's vessels. As the Navy was able not only to cover the embarkation of our Expeditionary Force, but also to assist the French in bringing reinforcements from Africa to Europe, it is clear that for the present, at all events, we retain full command of the sea. The fact has naturally inspired great confidence throughout the commercial community, and has very materially helped the improvement in business conditions to which we have just referred. The heroism with which the Belgians have acted throughout has likewise been of very material assistance. But some slight check has been given to the improvement by the necessity which compelled the Commander-in-Chief of the French forces to fall back from the advanced positions which he had taken up. We all hope most earnestly that the retirement has been due less to any serious reverse than to sound strategical considerations. And we trust that our Allies and our own forces will soon show that they can give a very good account of themselves whenever and wherever attacked. At the same time, it is not to be disputed that the success of the Germans in pushing their way towards the French frontier, causing a withdrawal of the Allies, has had its effect in minimising the improvement that had set in here at home. Probably there will be no great change in the situation until the result of the great battle which seems to be still in progress is made known. If the aggressors are successful we shall not lose hope; but there will be greater caution in banking and discounting circles, and there will be less improvement to report. On the other hand, if the aggressors are repulsed courage will revive greatly, and probably we may see a marked outburst of activity. The improvement which has actually taken place has not been confined to any particular trade or any particular form of business. Some of the banks, as already said, are doing their duty exceedingly well. Others are more cautious than they ought to be. There is freer discounting, likewise. The example set by the Bank of England is encouraging others to act a little more freely. Nevertheless, it would be quite misleading if we were not to add that discounting is upon a very small scale outside the Bank of England. The Bank of England, however, is acting with so much freedom that now the increase in every kind of currency is large enough to enable all our institutions to resume business on the normal scale. As just said, it is to be doubted whether they will do so until the result of the great battle understood to be going on is made known. But whatever that result may be, it cannot be too often repeated that it is the duty of all who are in a privileged position to enable trade to be carried on fully and freely.

In his interesting and important speech on Wednesday the Chancellor of the Exchequer dealt very candidly with the House of Commons, admitting that up to that time he had been unable to make up his mind whether the moratorium should or should not be extended beyond September 4—that is to say, Friday next. He added that a decision must be taken very soon. But he had not been able to arrive at a conclusion because of the great difference of opinion which existed throughout the whole business community. The banks, he told the House of Commons, are all for a prolongation. But out of 8,000 replies from the commercial community received up to that date 4,500 were in favour of bringing the moratorium

to an end, while 3,500 were in favour of extending it. Still more clearly to bring before the

The Moratorium.

variety of opinions existing, the Chancellor stated that at a meeting of traders last week he asked a leading trader present what his own opinion was. The answer is thus reported: "I am a colliery proprietor and a merchant. As a colliery proprietor I should like to bring it to an end; as a merchant I should like it to continue." Such being the feeling amongst those most directly and intimately concerned, it is very little wonder that the Chancellor of the Exchequer should feel difficulty in himself coming to any conclusion. Indeed, it becomes all of us to speak cautiously and responsibly when dealing with the matter. Without, then, dogmatising, we are inclined to think that it will be well to prolong the moratorium, not for a very long time—say to the end of the year, but for a short period, at the expiry of which it can again be considered whether there should or should not be another prolongation. Our special reason for saying this is, firstly, that from all we can gather from the commercial and financial community, if there is a real German victory there will be widespread disappointment, which may lead to another shock to credit. The public is not yet fully aware of all the conditions of the war in which we are engaged. It sees three Great Powers—the British Empire, the Russian Empire, and the French Republic, with Japan, Serbia, and Belgium, all upon one side, and only Germany and Austria-Hungary on the other. Therefore it concludes that numbers must tell. The argument is perfectly sound if the words are added "in the long run." But before the long run comes there may be many an anxious hour to pass through. Therefore, we venture to submit that it will be wise not to call upon people whose nerves have been somewhat shaken already to expose themselves to another severe trial within a week. It is quite true, of course, that if the Germans are decidedly defeated there will be elation. But it is always better to act upon the cautious rather than upon the optimist view. And as the German strategists are evidently resolved upon risking everything to break down the French resistance, the most prudent course is to assume that we and our Allies shall not be able to win a real victory for the present. In addition to this, we would point out that the banks are in favour of a prolongation of the moratorium. We will not stop to inquire whether the Bank of England has not now supplied them with a sufficiency of currency, and whether the new offer of the Government will not give them the means of providing still more currency. We have to deal with mankind as we find it. And the plain truth is that several of the banks are anxious, and not prepared to give the accommodation which they have been in the habit of giving to their customers. On the other hand, the Bank of England, the great acceptors of bills, other than banks, and the banks are drawing closer. At one time, we regret to say, the banks looked with something like suspicion both upon the Bank of England and upon the great acceptors of bills. Now a better feeling is growing up, and until these three come to an agreement amongst themselves we respectfully submit that it would be wiser not to drop the moratorium. We might add other reasons. But we are addressing ourselves to business men, who will understand the situation thoroughly, and who will be able to supply what we intentionally omit. Not less strongly would we urge upon the great acceptors of bills the duty which rests upon them to go on working as before the war broke out. The really important thing is that trade should be maintained just as it was while peace lasted; that everything needed should be imported from abroad; and that our manufacturers should be able to go on working to the fullest extent. Therefore, it is incumbent upon the great

acceptors of bills to do their duty in assisting every trade and every class to work as industriously and zealously as possible. The Government has undertaken great obligations to help the acceptors of bills as well as the banks. It is entitled to insist that both these classes shall respond. The banks, as we have already said, are doing their part much better than in the past. Now it is for the acceptors of bills to fulfil their implied contract with the Government, and the public has the right to expect from them patriotic action. Human nature being what it is, we admit that acceptors, like other people, must look after their own interests. But the Government surely has given sufficient assurance that it will not allow any great class of traders to suffer from a war which has been forced upon us. In the long run everything will come right if we all keep our heads and do our duty. Money will become abundant enough so that the moratorium will be brought to an end, and people will be enabled to pay as in ordinary times. In the end, we cannot doubt that those who show public spirit will be helped through their difficulties if the prolongation of the war should make such action necessary.

The Stock Exchange, like other institutions, is working better. Luckily, all speculative business is stopped by the moratorium. But it is possible to deal for cash, and such dealings are now decidedly more frequent than they were. A week or two ago the amount that could be sold was exceedingly small. Now it is possible to deal in considerably larger amounts, which clearly marks an improvement, and gives reason for expecting that if nothing is hurriedly done the improvement will continue, and it will be possible to resume business in the normal way. Particularly, we think it would be unwise to reopen the Stock Exchange until the

first great battle of the war is decided one way or other. Whichever side loses is likely to sell heavily. If, for example, the Allies are compelled to

Bill Acceptors and Small Debtors.

fall back once more, and the Germans gain in extent of territory occupied and in confidence, there will unquestionably be selling both in this country and in France if the stock exchanges and the bourses are open. On the other hand, if the Allies are victorious there will be selling by the Germans and the Austrians and Hungarians. It is true that these will not be able to deal directly either in London or in Paris. But there are multitudes of ways in which that difficulty can be got over. Just as German banks are sending bills through neutral countries for payment in London, so orders to sell will be sent through neutral countries, not merely to such great markets as that of New York, but to those of London and Paris as well. It seems to us, therefore, that it would be more prudent to do nothing in regard to the reopening of the Stock Exchange until the great battle now being waged is decided one way or other. After that we shall all be in a better position to judge what will be the best thing to be done. For the present we are acting very much in the dark. Even if it be objected that the Government must have much more information than it allows to reach the public, yet none of us know how far the information of the Government extends, or whether it is acting wisely upon that information. Upon the whole, then, we think that, as in the case of the banks and the acceptors of bills, it will be decidedly better to let matters run on as they are until the first great shock of the war has spent itself. Meanwhile, we are entirely in accord with the Chancellor of the Exchequer in respect to the Bill he introduced on Wednesday for the protection of debtors, and more particularly of small debtors. He said: "An essential step towards bringing the moratorium to an end is that some provision should be made against the harsh exercise of legal powers by creditors in certain cases." To illustrate what he meant, he said that in one case

a judgment had already been obtained for a debt before the war, and it was proposed to sell up the man's goods. Another case was that of a warrant of distress for rent. A third that of a hire agreement and the temporary failure to pay the instalments. A fourth case was that of mortgages. In such the creditor could without the intervention of the courts exercise powers which might lead to the debtor's ruin. The Government is properly anxious that dishonest persons should not be covered by the Bill—that, in fact, the protection should be extended only to those who were honestly made unable to meet their obligations because of the war. The Bill proposes that very summary powers should be vested in the courts to decide whether a debt should or should not be enforced. The proposal, therefore, is that masters or registrars of courts and also magistrates should have power to withhold a warrant either for enforcement of debt or for ejection. If a man who had paid his rent all his life found himself unable to pay it owing to the war magistrates should have power of refusing to enforce the claim. Everybody will agree that the proposal is not only humane but just. We are all involved in difficulties of one kind or another, not owing to any acts we have ourselves committed, but to the unprovoked aggression of a Great Power. It is our duty to stand shoulder to shoulder not only in resisting the unjust attack, but also in helping one another out of the difficulties which have been brought upon us, not by our own misconduct, but by brutal, wanton, and unprovoked aggression.

OUR MILITARY SYSTEM UNDER TRIAL.

THERE is one passage in Earl Kitchener's speech in the House of Lords on Tuesday which, no doubt, has riveted the attention of our readers, for, upon the authority of a great soldier, it brings out most clearly the strength as well as the weakness of our existing military system. Lord Kitchener pointed out with regret that because of that system we were unable to give immediate assistance to the heroic Belgians who fought so splendidly in defence of the independence of their country during the earlier weeks of the terrible struggle in which we are all involved, and that even now, though we have been able to send our Expeditionary Force to help our French allies, that force is very small compared either with the army with which it is acting in concert or with that to which it is opposed. In this statement the weakness of our system is set out in the clearest light; and, though the Secretary of State for War did not advert to the fact, there can be little doubt that the Kaiser was largely influenced by our initial weakness to plunge into the mad enterprise in which he has engaged. On the other hand, Lord Kitchener pointed out that as the war proceeds we shall gain in strength, while the other combatants will continually lose strength. The Germans and the Austro-Hungarians were able to call up at once the whole fighting manhood of which they disposed, whereas we could put in the field only about 150,000 men, and appeal to our people to come forward so that we might in the future play a part more befitting the Empire to which we have the honour to belong. Lord Kitchener went on to say that the scale of the field army now being called into existence will be very large. In the course of the next six or seven months it will amount to a total of 30 divisions continually maintained in the field. He added that should the war be protracted even that large force will be increased. In support of this statement, he observed that the response which has already been made by the great Dominions abundantly proves that we did not look in vain to those sources of military strength, "and while India, Canada, Australia, and New Zealand are all sending us powerful contingents,

in this country the Territorials are replying with loyalty to the stern call of duty which has come to them with such exceptional force. Sixty-nine battalions have, with fine patriotism, already volunteered for service abroad, and when trained and organised in the larger formations will be able to take their places in the line. The 100,000 recruits for which, in the first place, it has been thought necessary to call have been already practically secured. This force will be trained and organised in divisions similar to those which are now serving on the Continent. Behind these we have our Reserves. The Special Reserve and the National Reserve have each their own part to play in the organisation of our national defence." It is this vast reserve of force which justifies the policy that has been adopted by the Government, and which on Wednesday the Prime Minister stated would be maintained. There is no question that we could not continue the system were it not that we are protected at home by a superior Fleet. As long as our Navy is able to maintain command of the sea we can take time to organise our whole force and to bring that force to bear upon our enemies when they are becoming exhausted. Some amongst us even now are expressing regret that we had not adopted universal liability to military service long ago. They will probably change their minds if the war lasts as long as now seems by no means improbable. Then the Continental nations will be more or less exhausted, while we shall appear fresher, stronger, and in a position to attack in vaster numbers than at any time while the conflict was raging. The two systems—the voluntary and the compulsory—are being tested at the moment. All of us will be well advised to wait for the verdict of experience before coming to a premature conclusion.

PROGRESS OF THE WAR.

HEAVY fighting has been going on throughout the week, but, as far as we can judge in the absence of clear and full information, nothing decisive has taken place. What appears to be certain is that the Germans are concentrating their efforts upon forcing their way through Belgium into France; and that, therefore, they have been everywhere largely superior in numbers. As a natural consequence, the Allies have had to fall back. But they seem now to hold a very strong position. Our own troops apparently are in the centre, with French troops on their right and on their left. Judging from the flattering terms in which General Joffre speaks of our troops and Sir John French of the French, both have acted up to their old reputations, and have given way only because they were greatly outnumbered. In their new positions, it is to be presumed that their deficiency in this respect will now rapidly be made good. In the beginning, it is to be presumed, the French military authorities were in doubt as to where the main attack would be made; and, therefore, scattered their forces overmuch. But now the strategic movement seems unquestionable, and doubtless the French will bring up such reinforcements as will enable them to hold their own until the Russians can co-operate with them. If the Allies can check the German advance for a little time longer, the Germans will have lost their great opportunity, and, however gallantly they may fight afterwards, will become weaker and weaker as the weeks pass. It was exactly a month yesterday since Austria began the terrible struggle by declaring war against Serbia, and it is just four weeks to-day since Germany declared war against Russia. The Russians, it will be recollected, had already begun to mobilise. And from the activity they are displaying in East Prussia, they seem to have advanced in their mobilisation so much that they ought very soon to be able to compel the Germans to divert some of their forces from the attack upon France. The Austrians so far have done little either against the Servians or against the Russians. It

is true that the information which reaches us is very scanty, and, therefore, not much to be relied upon. But as far as we can safely form an opinion, it looks as if the Servians had inflicted a really serious defeat upon the Austrians, while the latter have not been able to materially check the advance of the Russians. It is true that the German military authorities never counted upon their Austrian allies to do very much. Nevertheless, they cannot have expected them to fail so utterly as, if we can believe the information that reaches us, they have already both in Serbia and in Galicia. If, then, the French and British can hold their own for a little while the Russian pressure upon Germany will become so great that the latter will be compelled to divert its attention to some considerable extent, at all events, from France to Russia; and then the course of the war ought to change very materially. Not only will the Russian armies in the field steadily grow henceforward, but so will our own contingents. We have still to draw upon India, and the contingents of the oversea Dominions have not even reached our shores. At the present time, then, we are not in a position to assist France as we shall be a little later. When our reinforcements become considerable, and the Russians are able to throw a couple of millions against Germany, it is to be presumed that the latter will have to so weaken her attack upon France that it ought not to be impossible to drive her troops completely out of Belgium and France. The question arises, however, is it possible for the British and French combined to hold their own against the superior numbers which the Germans are bringing up at the moment? If it be true that France can put in the field nearly as many men as Germany, then she ought, having chosen long ago her true line of defence, to be able to maintain that until the Russians can come to her support. At the same time, it is never to be lost sight of that Germany is fighting for her very existence. She has staked all upon the chance of breaking through the French defences and compelling France to come to terms before she has to deal seriously with the Russians. It is possible, therefore, that whatever may be the nominal resources of France in men, Germany with a population of over 65 millions may in her desperation contrive to hurl against the British and French such superior numbers as will compel a further retreat. Even if this happens, it is to be trusted that our own people and the French will not lose their heads, will recognise that the aggressors chose their own time and made their own arrangements, that possibly, therefore, they may for a time appear to be superior in attack, but that every day that passes not only makes it possible for the Russians to come up in ever-growing numbers, but also enables ourselves to increase materially our forces in the field. Nor is it to be forgotten that France apparently will be justified now in directing all her forces in other parts to meet the main German attack.

THE FINANCIAL SITUATION IN NEW YORK.

In New York, as in London, the financial position is improving slowly and gradually. At first sight it seems odd that the American market should have suffered quite as much as that of London, bearing in mind that the United States is neutral; that it has exceedingly good crops this year; that, owing to the war, the European demand for its produce will be abnormally large; and that, therefore, it ought to do an unprecedentedly great trade. One would, at first sight, therefore, be inclined to jump to the conclusion that the outbreak of war must have been favourable to the United States, and could not, therefore, cause anything resembling a panic. As a matter of fact, the foreign exchange market and the Stock Exchange have been hit as hard as have been their fellows

in London, and the recovery is just as slow. To understand what has happened will be to give one more evidence of a fact so often repeated and so little realised, that, owing to the progress of invention, all the countries of the world have been drawn so closely together that they now do business with one another so enormously greater than in the past that the experience of the past affords us very little guide in regard either to the immediate present or to the near future, and that a serious panic in one part of the world involves more or less of panic in the rest of the world. In the United States, as in other countries, trade is carried on very largely by means of credit. Great banks and merchant bankers open credits for very considerable sums to merchants in the United States who, in consequence of those credits, export commodities from the United States in the full and usually well-grounded belief that they can draw upon those who have opened the credit for them. When war suddenly burst upon Europe those who had opened credits in Europe either found it impossible to carry on the business or else lost their heads and withdrew the credits. The consequence was that those merchants who had acted in the full belief that they could draw upon London found that the bills would not be accepted, and, therefore, were placed in a serious difficulty. The foreign exchange market naturally fell into disorder, and the whole trade between the two countries was more or less disorganised. It is generally estimated by persons in the best position to form an opinion that at the present time America owes to England something between 20 and 40 millions sterling. In London the latter figure seems to be that most generally accepted. In New York the tendency is to reduce the estimate considerably. In any case, there is a very large amount of debt due from the United States to the United Kingdom; and for the moment the mechanism which helps to regulate the trade between the two countries, and, therefore, to meet from time to time the debts due, is completely out of gear. Many plans have been suggested to meet the trouble. One is, as we stated last week, that gold should be lodged with the Finance Minister of Canada, against which English persons could draw. It was originally suggested that the amount so lodged should be 20 millions sterling. A considerable amount has actually been lodged, but very much less than the sum just stated. Another proposal was that the American banks should be permitted to continue exporting gold freely; that they should supply themselves in place of the gold with emergency currency—that, in fact, they should hold their reserves in paper and not in gold—that, thereby, trade would go on regularly; that in a few months the balance of indebtedness would be changed; that the 40 millions alleged to be due from the United States to the United Kingdom would be paid off; and that the United Kingdom would then become the debtor to the United States on account of the large imports of food-stuffs and raw materials. This proposal, though put forward by persons who hold high position in the New York banking world, has not commended itself. Probably things will go on much as they are until ultimately the exports of the crops will allow the debt due to this country to be paid off. In short, the likelihood seems to be that, by means of its great crops, the United States will extricate itself from its present difficulties. Probably, also, the improvement of credit here at home may make it possible for acceptors of bills to act more freely. That would be the most desirable of all settlements. It would be the natural one, and it would give the credit which is so immediately necessary for the continuance of trade. Meantime, as said above, the foreign exchange situation is improving. On Thursday morning, for example, a telegram reported that one bank had sold finance bills of the value of £50,000. Moreover, on Wednesday, for the first time since the outbreak of

the war, discount houses were quoting for bills to arrive. The quotations were wide, naturally, but that was to be expected.

AUSTRALIAN FINANCE.

(FROM AN AUSTRALIAN CORRESPONDENT.)

Sydney, July 13.

THE Australian financial year closed on June 30, and the Federal Treasurer made a kind of preliminary statement of the national accounts. At the opening of the year there was an accumulated surplus of £2,653,000, so that the road of the Treasurer was comparatively easy. At the same time his predecessor in office left him with heavy commitments, more especially on account of the Australian naval unit which is now in course of construction partly in England and partly in Australia.

At the opening of the financial year the Treasurer had estimated expenditure as likely to amount to £17,800,000, whereas the year actually closed with an outlay of £16,985,000. So the Treasurer expended £846,000 less than he had expected; but even this smaller sum was an increase of £1,439,000 over the figures for the previous twelve months. Not only were the Treasurer's estimates of expenditure of a conservative character, his estimates of revenue also erred on the right side. As a matter of fact the Treasurer actually received £21,733,000 in revenue, or £271,000 more than the estimate. He was, therefore, £846,000 better off on the expenditure side and £219,000 better off on the side of receipts. This enabled him to conserve part of the accumulated surplus, which he had expected would all be dissipated during the period. In fact he closed the year with a surplus of £1,108,000, which will be carried forward to ease the strain on the current year. Among the increases in expenditure have been the following:—

Invalid and old-age pensions	291,753
Maternity allowance	262,146
Northern Territory	98,798
Defence	387,408
Post Office	381,788
Fleet construction	148,713
Trade and Customs	145,778
Total	1,716,584

It is to be noted that the Commonwealth is fast approaching the time when it will no longer be able to borrow from itself as it were. Practically the whole of the amount available for loan expenditure during the year was what was derived from the Commonwealth note issue, less the reserve. Up to June 30, 1913, £1,850,000 of this sum was invested in Commonwealth securities and expended, and last year a further £2,156,000 was similarly disposed of, making together over £4,000,000, so that there is only about £2,000,000 still available, after which the Commonwealth will have to resort to the open market.

SOURCE OF SOME FOOD SUPPLIES.—II.

APPARENTLY some of our readers have not given attention to the exhaustive statistics we gave in THE STATIST of August 8 and 15 respecting cereals. They covered features of recent years, and particulars in respect of individual countries as to winter and spring wheat, maize, oats, and barley, and also flour. Surprise has been expressed by correspondents that in our treatment of comparative food supplies in the manner we presented some facts in THE STATIST of August 22, page 466, there was no reference to cereals. As, apparently, the desire is to know respectively the positions of the United Kingdom and German cereal requirements in similar form as that we adopted last week in respect of meat and other foodstuffs we present some condensed figures as to

the above-mentioned grains, and add particulars of rye and rice to those given in our issues of August 8 and 15, when further detail as to sources of grain supply were set out.

It is to be borne in mind that in respect of both countries cereals are not alone for the use of human beings, but also are in some directions for the feeding of animals and industrial purposes.

UNITED KINGDOM.				
	Year to Dec. 31, 1913	Home Grown	Imported, Net	Total
Wheat, quarters of 480 lb.	...	7,089,000	26,921,000	34,007,000
Barley " 400 lb.	...	8,203,000	6,298,000	14,489,000
Oats " 312 lb.	...	20,836,000	6,696,000	27,531,000
Oats, ground or flaked, cwt.	...	—	777,000	777,000
Maize, quarters of 480 lb.	...	—	11,465,000	11,465,000
Rye " 480 lb.	...	—	211,000	211,000
Rice, grain, cwt.	...	—	3,107,000	3,107,000
" ground or flaked, cwt.	...	—	145,000	145,000
Wheat flour, cwt.	...	—	11,732,600	11,732,600

GERMANY.				
	Year to Dec. 31, 1913	Home Grown	Imported	Total
Wheat, quarters of 480 lb.	...	21,379,000	9,235,000	30,614,000
Barley " 400 lb.	...	20,570,000	16,945,000	37,515,000
Maize " 480 lb.	...	—	4,235,000	4,235,000
Rice, cwt.	...	—	5,745,000	5,745,000
Exported				
Oats, quarters of 312 lb.	...	71,592,000	1,100,000	70,492,000
Rye " 480 lb.	...	56,223,000	2,677,000	53,548,000
Wheat flour, cwt.	...	—	3,467,000	3,467,000
Rye meal and flour, cwt.	...	—	4,392,000	4,392,000
Oats, barley, rice, &c., ground, crushed or flaked, cwt.	...	—	2,014,000	2,014,000

LEADING CONTINENTAL BANKS—II.

POSITION PRIOR TO THE WAR.

LAST week we gave the balance sheets of the leading National or State banks of the Continent, and below continue the record of position at December 31, 1913, of some of the more prominent institutions of importance:—

FRANCE.

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

Capital Subscribed and Paid up, 400,000 Shares of 500 Frs. each, Frs. 200,000,000 = £80,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	8,000,000	10.7	Cash	4,959,395	6.6
Reserve	1,704,224	2.2	Investments	580,039	.8
Fixed deposits	2,063,520	2.8	Short loans on stocks	2,296,501	3.1
Deposit accounts	27,789,378	37.0	Bills receivable	40,174,422	53.5
Current accounts	26,721,384	35.6	Bills for collection	3,771,089	5.0
Acceptances	6,993,968	9.3	Advances on securities	8,037,358	10.7
Snudries	1,061,935	1.4	Current accounts, &c.	7,601,460	10.1
Unappropriated profit	722,593	1.0	Acceptances	7,003,073	9.4
			Bank premises	633,662	.8
Total	75,057,002		Total	75,057,002	

CRÉDIT LYONNAIS.

Capital Authorised and Issued, 500,000 Fully-Paid Shares of Frs. 500, Frs. 250,000,000 = £100,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	10,000,000	8.8	Cash	6,976,273	6.1
Reserve	6,600,000	5.9	Investments	355,718	.3
Deposits	36,518,930	32.2	Bills receivable	60,719,026	53.6
Current accounts, &c.	52,880,323	46.6	Advances	14,134,621	12.5
Acceptances	5,697,431	5.0	Current accounts, &c.	29,757,416	26.3
Net profits	1,666,370	1.5	Bank premises	1,400,000	1.2
Total	112,363,051		Total	112,363,051	

SOCIÉTÉ GÉNÉRALE, PARIS.

Capital Authorised and Issued, 1,000,000 Shares of Frs. 500; Paid up, Frs. 250 per Share, Frs. 250,000,000 = £100,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	10,000,000	13.6	Cash & coupons payable	8,594,984	9.1
Reserve	4,980,657	5.3	Investments	4,663,756	4.9
Bills payable	7,029,385	7.4	Short loans on stocks	4,777,448	5.1
Fixed deposits	8,287,720	8.8	Bills	38,849,986	41.1
Current accounts, &c.	63,120,959	67.1	Advances	13,130,020	14.0
Unappropriated profit	749,890	.8	Current accounts, &c.	22,429,660	23.7
Total	94,468,611		Bank premises	2,022,757	2.1
			Total	94,468,611	

RUSSIA.

BANQUE INTERNATIONALE DE COMMERCE À
ST. PETERSBOURG.

Capital Subscribed and Paid up, 192,000 Shares of
Rbls. 250, Rbls. 48,000,000 = £5,066,667.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	5,066,667	7.8	Cash	1,353,087	2.1
Reserve	2,974,724	4.7	Investments	5,421,807	8.4
Deposits, current accounts, &c.	27,952,660	43.3	Bills, loans, &c.	27,681,294	42.8
Branches	7,241,161	11.2	Branches	7,566,132	11.7
Correspondents	17,653,193	27.3	Correspondents	21,291,765	33.0
Sundry	2,993,432	4.6	Sundry	463,014	.7
Unappropriated profit	734,032	1.1	Bank premises	838,790	1.3
Total	64,615,889		Total	64,615,889	

BANQUE RUSSO-ASIATIQUE.

Capital Subscribed and Fully Paid, 24,000
Shares of 187½ Rbls. 45,000,000 Rbls. } = £5,250,065
Contributed by Chinese
Government ... 4,737,460 Rbls.)

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	5,250,065	6.3	Cash	3,977,658	4.8
Reserve	2,483,489	3.0	Investments	3,931,267	4.7
Notes in circulation	230,460	.3	Bills	15,041,963	18.1
Deposit and current accounts	43,346,154	52.2	Loans, current accounts, &c.	32,590,723	39.2
Bills	4,055,051	4.9	Correspondents	26,544,210	32.0
Correspondents	25,355,325	30.5	Bank premises, &c.	1,000,583	1.2
Sundry	1,477,152	1.8			
Unappropriated profit	888,708	1.0			
Total	83,080,404		Total	83,080,404	

RUSSIAN AND ENGLISH BANK, LIMITED.

Capital Authorised, Subscribed, and Paid up, £1,055,555.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	1,055,555	34.9	Cash	449,555	14.8
Reserve	86,899	2.9	Investments	292,055	9.7
Deposits and current accounts	1,170,793	38.7	Bills discounted, loans, advances, &c.	1,124,931	37.1
Acceptances	26,469	.8	Correspondents	1,058,410	35.0
Correspondents	577,814	19.1	Acceptances	26,469	.9
Unappropriated profit	106,688	3.5	Furniture	2,725	.1
Total	3,024,218		Sundry	70,073	2.4
			Total	3,024,218	

RUSSIAN BANK FOR FOREIGN TRADE.

Capital Authorised and Issued, 240,000 Shares of Rbls. 250,
Fully Paid (No further Liability), Rbls. 60,000,000 =
£6,344,444.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	5,277,778	8.0	Cash	1,735,942	2.8
Reserve	1,773,533	2.7	Investments	2,920,097	4.4
Deposits	23,991,948	36.5	Advances	12,168,072	18.5
Current and branch accounts, &c.	18,954,360	28.8	Bills receivable	13,364,185	20.3
Correspondents	11,414,888	17.3	Current & branch accounts, &c.	15,494,902	23.5
Acceptances and cheques outstanding	3,750,399	5.7	Correspondents	19,210,798	29.3
Unappropriated profit	660,505	1.0	Bank premises	929,415	1.4
Total	65,823,411		Total	65,823,411	

* Recently increased to £6,344,444.

RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

Capital Authorised and Issued, 140,000 Shares of Rbls. 250,
Fully Paid, Rbls. 35,000,000 = £3,694,444.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	3,694,444	7.0	Cash	2,108,695	4.0
Reserve	987,468	1.8	Investments	2,158,684	4.1
Bills	2,808,518	5.3	Bills	13,697,157	25.9
Deposits, current accounts, &c.	24,841,464	47.0	Loans, &c.	14,118,359	26.7
Correspondents	15,061,343	28.4	Correspondents	15,802,643	29.8
Branches	4,751,245	9.0	Branches	4,676,244	8.8
Sundry	317,644	.6	Sundry	38,158	.7
Unappropriated profit	498,708	.9	Bank premises	360,894	
Total	52,960,834		Total	52,960,834	

VOLGA-KAMA COMMERCIAL BANK.

Capital Authorised and Issued, 72,000 Shares of 250 Rbls.,
Fully Paid, Rbls. 18,000,000 = £1,900,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	1,900,000	4.4	Cash	1,652,269	3.8
Reserve	2,124,475	4.8	Investments	2,018,462	4.6
Current accounts, &c.	27,582,919	62.2	Bills discounted	13,931,716	32.0
Correspondents	3,390,061	7.8	Advances	15,063,042	34.6
Branches	6,986,129	16.0	Correspondents	2,732,933	6.3
Sundry	1,497,955	3.5	Branches	6,986,129	16.0
Unappropriated profit	565,530	1.3	Bank premises, &c.	1,162,518	2.7
Total	43,547,069		Total	43,547,069	

GERMANY.

ALLGEMEINE DEUTSCHE CREDIT-ANSTALT.

Capital Subscribed and Paid up, Marks 110,000,000 =
£5,500,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	5,500,000	22.2	Cash	794,187	3.2
Reserve	2,335,000	9.4	Investments	1,154,470	4.6
Pension fund	115,765	.5	Interest in other		
Deposits, current accounts, &c.	12,611,385	50.8	Banks, &c.	726,518	3.0
Acceptances	3,619,329	14.6	Bills	4,560,642	18.4
Sundry	67,762	.3	Current accounts, loans, &c.	13,319,978	53.7
Unappropriated profit	550,218	2.2	Acceptances	3,619,329	14.6
Total	21,799,459		Bank premises, &c.	624,325	2.5
			Total	24,799,459	

DARMSTADTER BANK.

Capital Subscribed and Paid up, in 158,203 Shares of 1,000
Marks and 4,193 of 250 Florins, Fully Paid (No further
Liability), M.160,000,000 = £8,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	8,000,000	16.4	Cash	2,419,274	5.0
Reserve	1,600,000	3.2	Investments	5,351,236	10.9
Deposits and current accounts	30,384,045	62.1	Bills	9,251,144	18.9
Acceptances	8,317,571	17.0	Advances	6,383,190	13.1
Sundry	47,335	.1	Current accounts, &c.	16,268,406	33.3
Unappropriated profit	557,974	1.2	Acceptances	8,317,572	17.0
Total	48,906,925		Bank premises	916,103	1.8
			Total	48,906,925	

DEUTSCHE BANK.

Capital Authorised and Issued, 100,000 Shares of 600 Marks,
116,656 of 1,200 Marks, and 8 of 1,600 Marks, all Fully
Paid, M.200,000,000 = £10,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	10,000,000	8.9	Cash	9,459,177	8.4
Reserve	5,625,000	5.0	Investments, including Treasury bonds	8,060,081	7.2
Current accounts, deposits, &c.	79,002,290	70.4	Syndicates and shares in allied banks	6,796,595	6.1
Acceptances	15,035,155	13.4	Bills receivable	31,970,110	28.4
Sundry	834,045	.7	Stock Exchange loans	11,661,335	10.4
Net profit	1,787,270	1.6	Loans and advances (including acceptances)	42,761,462	38.1
Total	112,283,760		Bank premises	1,575,000	1.4
			Total	112,283,760	

* An increase to M.250,000,000 = £12,500,000, was authorised at the General Meeting, March 31, 1914.

DIRECTION DER DISCONTO-GESELLSCHAFT.

Capital Authorised and Issued, in 100,000 Shares of 600
Marks, 116,665 of 1,200 Marks, and 1 of 2,000 Marks,
all Fully Paid, M.200,000,000 = £10,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	10,000,000	15.4	Cash	6,046,356	9.3
Reserve	4,065,000	6.4	Securities, syndicates, &c.	10,577,365	16.3
Guarantees	2,850,631	4.4	Loans	11,940,265	18.4
Deposits, current accounts, &c.	33,701,199	52.0	Bills receivable	12,876,967	19.9
Acceptances and cheques	12,547,051	19.4	Current accounts	19,564,758	30.3
Staff pension fund, &c.	324,736	.5	Guarantees	2,850,631	4.4
Unappropriated profit	1,274,683	1.9	Bank premises, &c.	906,938	1.4
Total	64,763,300		Total	64,763,300	

* Since increased to M. 300,000,000 = £15,000,000.

DRESDNER BANK.

Capital Authorised and Issued, in 136,653 Shares of 1,200
Marks, 60,000 of 600 Marks, 3 of 1,600 Marks, 1 of
1,733½ Marks, 1 of 1,866½ Marks, and 4 of 2,000 Marks,
all Fully Paid, M.200,000,000 = £10,000,000.

	£	% of Total		£	% of Total
Capital Dec. 31, 1913	10,000,000	13.0	Cash	6,501,331	8.5
Reserve	3,050,000	4.0	Investments	3,971,414	5.2
Current accounts	47,919,785	62.3	Syndicates	2,763,798	3.6
Acceptances	14,365,777	16.7	Bills receivable	18,794,753	24.4
Sundry	256,814	.3	Loans	11,785,019	15.3
Unappropriated profit	1,313,937	1.7	Current accounts, &c.	31,560,436	41.0
Total	76,906,813		Bank premises	1,529,562	2.0
			Total	76,906,813	

BANK OF BRITISH NORTH AMERICA.—Interim dividend of
40s. per share, less tax, being at the rate of 8 per cent. per
annum; carry forward about £48,000.

McINTYRE, HOGG, MARSH AND COMPANY.—In consequence
of international situation Interim dividend on Ordinary
shares, usually made in August, has been postponed.

Financial Notes.

A CORRESPONDENT asks whether banks which avail themselves of the moratorium and decline to allow customers to withdraw deposits or draw on their current accounts are not liable to pay the full moratorium interest for the money so withheld from the owner. As we read the moratorium, it appears to us clear that all bankers who act as our correspondent describes are bound to pay the full moratorium interest. Indeed, we should incline to the opinion that every such banker would readily recognise that he was bound to pay the full moratorium interest. But clearly it is a question for a lawyer.

Our readers probably have noted that Messrs. J. P. Morgan and Company have consulted the American Government as to the propriety of issuing a French loan in New York. The Messrs. Morgan stated that they had not been asked by the French Government to make a loan, but that it was suggested to them by merchants interested in the trade between the United States and France that a loan should be made for the purpose of creating a credit in the United States, the proceeds of which would be used to buy American products for the French people and that no part of the credit would be used for gold exports. The Messrs. Morgan are unwilling to take any step of the kind if it seems undesirable to the American Government, and, therefore, they made known the proposal addressed to themselves, intimating that they would do nothing if disapproved by the Government. The Messrs. Morgan apparently have received no answer to their intimation. But in the unofficial way in which news leaves the White House, it has become known that the President believes that he ought not, as the head of a neutral Government, to interest himself one way or other, leaving it to the bankers, American and French, to decide for themselves.

This week's Bank of England return is again exceedingly interesting. The "Other" deposits amounted on Wednesday evening to £123,892,659, an increase during the week of £15,798,372, or 14.6 per cent. Comparing it with the amount on July 22, the Thursday immediately preceding any declaration of war, there is an increase from a little over 42 millions to almost 124 millions, or 194 per cent. The "Other" securities on July 22 were £33,632,762. On Wednesday night last they amounted to £109,904,670, being an increase of over 76½ millions sterling, or 227 per cent. Taking the week alone, the increase is considerably over 15 millions.

Up to Wednesday, it will be observed, the Bank of England practically had the Money market all to itself in London. In the great industrial districts in the North and in the Midlands some of the banks, as the Chancellor of the Exchequer observed on Wednesday, did very well. But in London the rush continued up to Wednesday evening almost as great as ever. There has been a decline since. The figures given, however, show how eager the holders of bills were to get them discounted, and what a great service, accordingly, the Bank of England has done. As the week is drawing to a close the pressure is decreasing, and, it is to be hoped, confidence is reviving.

We wonder if the holders of bills fully understand the significance of what the Government has done, and how great is the advantage which has been offered to them. Of course, the figures we have just cited prove very plainly that great numbers did quite appreciate the service rendered to them. But, as already observed, it was London which chiefly took advantage. There was not such eagerness on the part of the Provinces to take advantage of the opportunity. Perhaps it is fortunate that it was so. But it looks as if large numbers of persons immersed in their own business—

and having, therefore, not very much time, and probably not much opportunity either, to make themselves thoroughly acquainted with the advantages offered to them—did not clearly understand the meaning of what was being done. At all events, there clearly was not the eagerness in the Provinces to avail of the opportunity as might reasonably have been expected.

On July 21 the gold in the vaults of the Imperial Bank of Russia and held to its credit abroad, amounted to £174,509,000; and, in addition, silver amounting to £7,383,000 was held, making a total cash of £181,892,000. Against this, the notes in circulation amounted to £163,411,000, showing an excess of cash over notes of £18,481,000. On August 14 the gold amounted to £172,167,000, to which has to be added £6,316,000 in silver, making the total cash £178,483,000. Against this, there was a total issue of notes of £232,106,000, showing an excess of notes over cash of £53,623,000. It is to be borne in mind, however, that the Bank held notes amounting to £7,893,000. In any case, there is no doubt about the enormous strength of the Bank, since in gold alone it held over 172 millions sterling, and, in addition, silver amounting to £6,316,000.

AGRICULTURAL RETURNS OF THE UNITED KINGDOM, 1914.

THE Board of Agriculture and Fisheries issued on the 11th inst. a statement, subject to final revision, of the acreage of certain crops and of the number of livestock in England and Wales of this year, together with the estimated production of each of the crops.

The Board have now received from the respective departments similar figures for Scotland and Ireland, and the following statement gives the totals for the United Kingdom:—

		Acreage and Live Stock.			
		1914	1913	Inc. or Dec.	
		Acres	Acres	Acres	%
Wheat ...	...	1,940,000	1,790,000	+ 150,000	+ 8.4
Barley ...	...	1,904,000	1,930,000	- 26,000	- 1.3
Oats ...	...	3,886,000	3,961,000	- 75,000	- 1.9
Potatoes ...	...	1,206,000	1,173,000	+ 33,000	+ 2.8
		No.	No.	No.	
Cattle ...	...	12,152,000	11,896,000	+ 256,000	+ 2.2
Sheep ...	...	28,109,000	27,552,000	+ 557,000	+ 2.0
Pigs ...	...	3,971,000	3,294,000	+ 677,000	+20.6
		Estimated Production.			
		Qrs.	Qrs.	Qrs.	%
		Qrs.	Qrs.	Qrs.	%
Wheat ...	...	7,799,000	7,087,000	+ 712,000	+10.0
Barley ...	...	7,927,000	8,201,000	- 277,000	- 3.4
Oats ...	...	19,333,000	20,660,000	-1,327,000	- 6.4
		Tons	Tons	Tons	
Potatoes ...	...	7,228,000	7,606,000	- 377,000	-

The wheat crop is 10 per cent. larger than that of 1913, and is considerably above the average of the last 10 years. The production of barley, although less than in 1913, is larger than in either of the three preceding years. Oats are under average. The potato crop in Ireland is estimated at about 10 per cent. less than last year, so that the total for the United Kingdom falls about 5 per cent. below 1913, when the crop was the largest on record. In 1912 the total crop was only 5½ million tons.

The number of cattle in the United Kingdom is larger than in any previous year.

LONDON CITY & MIDLAND BANK

LIMITED.

ESTABLISHED 1836.

SUBSCRIBED CAPITAL	-	£22,947,804
PAID-UP	- - -	4,780,792
RESERVE FUND	- - -	4,000,000
DEPOSITS	- - -	108,181,411

AMERICAN AND CANADIAN INVESTMENTS

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American Topics.

CANADIAN PACIFIC RAILWAY.

No one can read the report of the Canadian Pacific Railway without recognising the very great strength of the undertaking, and its importance as one of the great assets of Canada. Its system of 13,322 miles in Canada and of 4,728 miles in the United States supplies the railway facilities needed to bring into cultivation an immense area of land. Of this total no less than 2,465 miles of line are in the province of Manitoba, 2,146 miles are in Saskatchewan, 2,453 miles in Alberta, and 1,280 miles are in British Columbia. The extent of railway mileage in the fertile agricultural districts of the world is at the present moment an important matter, as it is evident that for some time to come, at any rate, the supply of capital for railway extensions may be seriously interfered with by the great war now being waged in Europe, which cannot fail to divert for a time the capital that would otherwise be available for the extension of railways in the agricultural countries and in increasing the world's production of foodstuffs. Fortunately at this moment vast tracts of virgin country have been opened up to cultivation through railway extensions in recent years, and in this work the Canadian Pacific has taken a leading part, and has in working order a great system of lines in Western Canada. In Eastern Canada, which it should be remembered is also fertile and capable of producing a very great quantity of foodstuffs, its system of railways is also of the most extensive character. In what is known as the Eastern division, comprising mainly the State of Quebec, the length of its lines is 1,583 miles, while in Ontario its system is 1,509 miles. Should the war continue for any considerable time, it will of necessity cause a stoppage of railway construction in new districts, and result in the more rapid development of districts already opened up to settlement. Moreover, war usually causes a great advance in the price of food. This has not taken place for the moment, as the world's crop of this year was grown under normal conditions, and the disturbance to credit caused by the war has resulted in a sharp contraction of consumption, thereby causing an excess of supply. But if the war continues, it is obvious that the production of food in Europe will be substantially reduced, and that after a time the enormous war expenditure will result in a revival of consumption. Hence there is the prospect, if not the certainty, that next year the price of food will be much higher than it is at present, and that the production of foodstuffs in Canada and in other agricultural countries unaffected by the war will be greatly stimulated. All that Canada needs at the present time largely to expand her production of foodstuffs are settlers on the land. Practically all the

machinery of distribution has been provided for a much greater production than she at present enjoys.

The events now taking place are likely to cause an efflux of population from the towns where employment is scarce on to the land where employment can be found for an almost unlimited number of persons. The trend of economic events was in the direction of a much more rapid settlement of the land in Canada than in recent years, and the outbreak of the great war in Europe will tend to accelerate the movement, with the result that the productive power of Canada will be enormously stimulated. It should be recognised, of course, that the trend of economic events, apart from the war, was towards a lower price of foodstuffs in consequence of the world's increasing production, but that the outbreak of war will tend to maintain prices of foodstuffs and will enable the Canadian people to realise much larger profits than otherwise they would have done from their increasing productions.

In the work of increasing the productive power of Canada the Canadian Pacific is performing the lion's share, and, moreover, in view of the excellence of its credit, it will be able to continue the work by assisting settlers on to the land and providing them with all the transportation facilities they need. In the year to June last the traffic of the Canadian Pacific showed marked contraction, its gross earnings for the year having been \$129,815,000 against \$139,396,000 in the previous year. But we would specially point out that this decline was due not to any contraction in the productive power of the country, but to a greater measure of economy in the consumption of the Canadian people arising from the financial stringency which has been experienced. This financial stringency affected the building trade, and consequently led to a decline in the lumber traffic as well as in the demand for manufactured articles. But the essential products of Canada, as indicated by the traffic of the Canadian Pacific, showed great expansion. The quantity of flour carried in the twelve months was no less than 8,802,000 barrels, in comparison with 8,094,000 barrels in the previous year, while the quantity of grain carried was 184,954,000 bushels, in comparison with 171,953,000 bushels in the previous year and 151,731,000 bushels in 1911-12. The live stock conveyed also showed remarkable increase, amounting last year to 2,481,000 head against 1,783,000 head in the previous year and 1,663,000 head in 1911-12. And it is evident that apart from the effect upon the crops of the vagaries of the weather the quantity of agricultural produce grown in Canada will in the next few years show rapid expansion, and that the Canadian Pacific Railway will be called upon to transport the greater part of the increased production. Of course, we do not wish to infer for one moment that the volume of trade in Canada may be maintained at the level of last year or of the previous year. In recent years trade in Canada has been immensely stimulated by the great influx of British capital into the country, which has been expended in the construction of railways and in the building up of towns and industries. It is obvious that in a period of war the amount of capital which Great Britain can supply to Canada will be greatly reduced. We are not without hope that in a period in which this country may not be in a position to supply other lands with the great amounts of capital it has supplied in recent years, the United States will step into the breach and will provide large sums. If Canadian municipalities and others are able to borrow any substantial sum in the United States to supplement the smaller sums which may be obtainable from Great Britain, the effect of the war upon the general welfare of Canada may be inappreciable. If, however, Canada is unable to borrow substantial sums in the United States, it is obvious that general trade in Canada must suffer a substantial set-back in consequence of the check that will be given to the con-

Income Statement of the Canadian Pacific Railway.

Year to June 30	Aver. Miles.	Gross Earnings. \$	Operating Expenses. \$	Ratio. %	Net Earnings. \$	Misc. Income. \$	Net Income. \$	Fixed Charges. \$	Net Profit. \$	Div. on 4% Pref. \$	Balance. \$	Div. on Ord. Paid. \$	Balance. \$
1914 ...	11,825	129,815,000	87,389,000	67.32	42,426,000	6,472,000	48,898,000	10,227,000	38,671,000	3,109,000	35,562,000	14-51 10	24,500,000 11,062,000
1913 ...	11,366	133,396,000	93,150,000	69.82	40,246,000	7,844,000	48,090,000	10,878,000	43,214,000	2,960,000	40,254,000	18-79 10	21,420,000 12,834,000
1912 ...	10,767	123,319,000	80,021,000	64.89	43,298,000	6,263,000	49,561,000	10,525,000	39,036,000	2,592,000	36,944,000	20-24 10	18,000,000 12,444,000
1911 ...	10,342	104,168,000	67,462,000	64.78	36,706,000	6,165,000	42,871,000	10,011,000	32,864,000	2,254,000	30,600,000	17-03 9½	17,100,000 13,500,000
1910 ...	10,078	94,989,000	61,149,000	64.37	33,840,000	4,835,000	38,675,000	9,917,000	28,758,000	2,215,000	26,543,000	17-07 7½	11,962,000 14,876,000
1909 ...	9,737	76,313,000	53,358,000	69.92	22,955,000	3,807,000	26,762,000	8,427,000	17,335,000	2,108,000	15,227,000	10-15 7	10,500,000 4,727,000
1908 ...	8,212	71,384,000	49,592,000	69.47	21,792,000	3,871,000	25,663,000	8,770,000	16,893,000	1,918,000	14,977,000	12-31 7	8,518,000 6,459,000
1907 ...	8,000	72,217,000	46,914,000	64.96	25,303,000	3,584,000	28,884,000	6,517,000	20,367,000	1,736,000	18,631,000	15-31 7	8,518,000 10,113,000
1906 ...	8,691	61,689,000	38,686,000	62.75	22,973,000	1,970,000	24,943,000	8,351,000	16,592,000	1,660,000	14,932,000	4-73 6	6,084,000 8,848,000
1905 ...	8,511	60,482,000	35,007,000	69.35	15,476,000	1,585,000	17,060,000	7,954,000	9,106,000	1,514,000	7,592,000	8-17 6	5,577,000 2,015,000
1904 ...	6,092	46,469,000	32,256,000	69.42	14,213,000	2,113,000	16,326,000	8,008,000	6,318,000	1,352,000	6,966,000	6-24 6	5,070,000 1,896,000
1894† ...	6,344	18,762,000	12,329,000	65.75	6,423,000	790,000	7,213,000	7,740,000	Dr. 527,000	257,000	Dr. 784,000	NH 2½	1,625,000 Dr. 2,409,000
1886† ...	—	10,081,000	6,378,000	63.25	3,703,000	—	3,703,000	3,068,000	635,000	—	635,000	—	— 635,000

† Calendar year.

‡ Canadian Government guaranteed 3 % to 1893.

struction of railways and buildings. On the other hand, however, the higher prices which Canada may obtain for her foodstuffs may assist in maintaining the consuming power and trade of the country. In these circumstances Canada is to be congratulated upon the great financial strength of the Canadian Pacific Railway, which in any conceivable circumstances that may arise should be in a position to secure the capital it will need for placing a very large number of settlers upon the land and for assisting in the work of developing the mineral and other resources of the country.

In the past year its net income was no less than \$48,898,000, in comparison with \$54,090,000 in the previous year, and out of this great sum only \$10,227,000 were needed to meet the interest charges. Consequently, the net profit was no less than \$38,671,000, in comparison with \$43,214,000 in the previous year, a sum equal to as much as 30 per cent. of the gross receipts. We should mention that the profit for the Ordinary stock in the past year was \$35,562,000, equal to a dividend of 14½ per cent. The 10 per cent. dividend distributed called for a sum of \$24,500,000, and the undivided balance reached \$11,062,000.

In considering the question of the margin of profit behind the 10 per cent. dividend, account should be had of the ability of the Company to reduce expenditure, and thus to neutralise the effect upon profits of a decline in gross receipts. In the past year, with a shrinkage of about \$9,600,000 in gross earnings, expenses were reduced about \$5,800,000, and the loss in net earnings was only \$3,800,000. If the Company were able to neutralise a shrinkage in its gross earnings to the extent of two-thirds by a reduction in expenditure, the gross receipts could further decline by about 25 per cent. before it would become necessary to consider the question of reducing the dividend.

The great strength of the Company's condition, either from an income or from a capital point of view, renders possible any increase of capital that may be deemed to be necessary, and we are glad to notice that the directors propose to obtain power at the annual general meeting to increase the capital stock by another \$75,000,000, from \$260,000,000 to \$335,000,000, in order to make it accord with the amount for which the Company has the sanction of the Government. Although, with the curtailment of capital expenditure, no necessity exists for issuing any additional Ordinary stock at this time, and there will be no resumption of works requiring any large amount of money until a decided improvement in business conditions furnishes ample warrant, the directors are convinced of the prudence of making provision at this time for capital requirements covering a considerable period in the future. No portion of the increased amount will, of course, be issued by the directors until the sanction of the shareholders has been obtained at a special general meeting called

for the purpose. In the past year the additional capital was provided by the issue of \$52,000,000 of Ten-year Note certificates, by the creation of \$14,000,000 of Car Trust certificates, and by the issue of £2,065,000 of Four per Cent. Consolidated Debenture stock and of £800,000 of Four per Cent. Preference stock. The really remarkable expansion in the agricultural traffic of the Company—and, of course, it is the development of agriculture upon which the welfare of Canada mainly depends—both last year and in the last 10 years is shown by the following statement:—

Principal Commodities Conveyed by Canadian Pacific Railway.

Yr. to June 30	Lumber. Feet.	Grain. Bushels.	Flour. Barrels.	Live Stock. Head.	Fire- wood. Cords.	Manuf. & Misc. Tons.	Total Freight. Tons.
1914 ...	2,953,125,699	184,954,241	8,802,250	2,461,360	287,910	17,307,124	27,901,217
1913 ...	3,210,306,090	171,962,738	8,093,936	1,762,986	293,536	19,145,011	29,471,914
1912 ...	2,806,735,006	151,731,691	8,459,850	1,663,315	305,079	16,289,048	25,940,238
1911 ...	2,441,007,107	111,169,932	8,469,744	1,567,665	293,345	14,720,381	22,538,214
1910 ...	2,292,621,963	112,795,345	7,489,612	1,381,183	280,878	13,035,600	20,561,368
1909 ...	1,726,944,584	97,238,150	6,683,354	1,371,873	249,623	10,341,439	16,549,616
1908 ...	1,764,445,495	83,345,234	5,843,988	1,349,771	249,605	9,034,004	15,040,325
1907 ...	1,989,444,728	93,207,092	6,256,702	1,537,467	274,629	8,180,149	15,733,306
1906 ...	1,804,648,962	82,199,843	5,994,535	1,423,320	264,456	7,917,444	13,933,796
1905 ...	1,435,758,930	59,739,180	5,010,863	1,350,560	261,794	7,144,326	11,892,204
1904 ...	1,267,804,321	52,990,151	5,270,432	1,314,814	270,803	6,740,574	11,135,898
1903 ...	1,190,378,217	63,822,710	5,110,757	1,103,686	268,431	5,607,996	10,180,847

Every effort was made in the past year to secure economy in operation, and the shrinkage in traffic was accompanied by a much more than corresponding reduction in train mileage and car mileage, with the result that the revenue train load increased from 381 tons to 407 tons, and the revenue car load from 19.34 tons to 20.15 tons. The effort made in the past year to work economically will be evident from the following statement:—

Freight-Train Results of the Canadian Pacific.

Year to June 30	Revenue Ton Miles.†	Freight- Train Miles.†	Train Load— Rev. Total. Tons. Tons.	Car Load— Loaded Car Miles. Rev. Total. Tons. Tons.	Per Mile of Road.
1914 ...	10,601,428	26,054,606	406.89 464.36	526,194,125	20.15 22.29
1913 ...	11,242,691	23,499,198	381.12 440.24	581,397,235	19.34 22.34
1912 ...	10,180,782	27,368,484	372.02 431.05	556,244,793	18.30 21.21
1911 ...	7,859,967	23,332,314	336.16 389.25	460,733,921	17.03 19.75
1910 ...	7,569,824	22,247,599	340.25 390.16	433,498,575	17.43 20.02
1909 ...	6,210,087	20,749,676	299.29 347.24	363,035,580	17.11 19.85
1908 ...	5,699,092	19,587,322	290.96 341.22	327,383,310	17.41 20.42
1907 ...	5,789,192	19,599,133	295.33 339.84	347,181,189	16.67 19.18
1906 ...	5,190,951	18,599,735	279.10 324.25	316,199,077	16.42 19.08
1905 ...	4,018,603	15,967,520	251.69 300.37	262,519,047	15.31 19.27
1904 ...	3,670,822	15,374,399	238.76 251.69	243,394,348	15.08 17.62
1903 ...	3,721,877	14,744,064	252.43 288.71	242,513,797	15.34 17.55

† COO's omitted.

The shrinkage in freight receipts was greater in proportion than the decline in traffic, the average freight rate in the past year having shown a fall of about 4 per cent. The rate last year was .753 cent. against .784 cent. in the previous year. The course of the freight traffic and of the freight receipts and of

the average freight rate will be apparent from the following statement:—

Average Freight Rate and Haul of the Canadian Pacific.

Year to June 30	Aver. Miles.	Rev. Ton Miles.	Freight Receipts.	Aver. Freight Rate. Cent.	Rev. Freight Carried. Tons.	Aver. Haul. Miles
1914 ...	11,825	10,601,426,321	81,135,295	753	27,801,217	381.35
1913 ...	11,386	11,242,690,998	89,855,223	784	29,471,814	383.79
1912 ...	10,767	10,180,782,322	79,833,734	772	25,940,238	392.47
1911 ...	10,342	7,859,936,837	65,845,228	819	22,536,214	348.77
1910 ...	10,073	7,569,824,332	80,158,887	778	20,551,368	368.33
1909 ...	9,737	6,210,088,958	43,182,520	760	16,549,616	375.23
1908 ...	9,212	5,699,092,014	44,037,593	755	15,040,325	378.92
1907 ...	9,000	5,789,191,940	45,885,963	776	15,733,306	387.96
1906 ...	8,691	5,190,951,172	39,512,973	743	13,933,798	372.54
1905 ...	8,511	4,018,802,710	31,725,290	767	11,892,804	337.92
1904 ...	8,092	3,670,821,775	29,235,821	773	11,135,896	329.63
1903 ...	7,638	3,721,877,190	28,502,082	743	10,180,847	365.57

The greatness of the Company's earnings and profits both actually and in comparison with what they were a few years ago is shown by the Income Statement herewith.

We append the prices of the Company's securities on July 30, and the yields afforded:—

Yields Afforded by Principal Securities of Canadian Pacific Ry.

Description.	Amount Outstanding.	Date of Redemption.	(Int. or Div.) Rate.	Fald 1st of	Price July 30	Yield% per An. r. s. d.
1st Mort. Bonds (Sterling)	£2,641,900	July 1915	5 J. & J.	101½	5 0 0	
Algoma Branch 1st Mort.	£750,000	July 1937	5 J. & J.	106½†	4 12 1	
St. Law. & Ott. 1st Mt....	£200,000	Irred.	4½ J. 15 D.	92½	4 7 8	
Manitoba S. W. 1st Mort.	\$2,544,000	June 1934	5½ J. & D.	110½	4 11 0	
Atlantic & N.-W. 1st Mt.	\$1,330,000	Jan. 1937	5½ J. & J.	107½	4 11 5	
Tor., Grey & Bruce 1st M.	£719,000	July 2882	4½ J. & J.	92½	n4 7 8	
Ont. & Quebec ½ % Deb.	\$4,007,382	Irred.	5½ J. & D.	114½	4 8 8	
Do. Ordinary Stock ...	\$2,000,000	—	6½ J. & D.	136½†	4 8 11	
Cal. & Ed. ¼ % Deb. Stock.	£1,121,700	July 2002	4½ J. & J.	94½	n4 5 10	
Dom. Atl. ¼ % 1st Deb. Stk.	£500,000	Oct. 1944	4½ A. & O.	93½	4 10 10	
Do. do. 4 % 2nd do.	\$250,000	July 1956	4½ J. & J.	91½	4 10 8	
Nak. & Slovan ¼ % Gold	£131,400	July 1918	4½ J. & J.	95½	5 12 9	
New Bruns. ½ % Mort.	£600,000	Aug. 1934	5 F. & A.	109½	4 9 10	
Do. 4 % Deb. Stock ...	£904,533	Irred.	4½ J. & J.	92½	n4 7 8	
Que. Cent. ¼ % 1st M. Deb.	\$604,837	(£)	4½ F. & A.	92½	4 7 2	
Do. 3½ % 2nd M. Deb.	£336,500	Jan. 1963	3½ J. 15 J.	82½	4 8 6	
Do. 5 % 3rd Mt. bonds	£336,500	Jan. 1963	5½ J. 15 J.	108½	4 12 4	
Do. Capital stock ...	£571,300	—	4½ J. 15 J.	106½	3 15 10	
Shus. & Okanagan ¼ % Deb.	£256,800	See below	4 J. & J.	93½	4 2 3	
O. P. 4 % Perp. Deb. Stk.	£34,766,336	Irred.	4 J. & J.	97½	4 3 1	
pec. Inv. Pd Note Certs	\$52,000,000	Mar. 2, '24	6 M. 2 S.	101½*	5 15 10	
O. P. 4 % Non-Conv. Pref.	£15,573,563	—	4 A. & O.	92½	4 11 5	
Do. Capital Stock ...	\$260,003,000	—	10** J.A.J.O.	165½	6 6 2	

(*) New York price. (**) 7 % out of profits of Railway and 3 % from special income account. (†) London price. Yield allowing for exchange and accrued interest. (‡) Sterling issues. Yield allowing for accrued interest. (§) Guaranteed by the Govt. of British Columbia. (¶) Redeemable at 110 % at any time after July 31, 1919, on 6 mos. notice by Co. (||) Lease to Canadian Pacific. The N. & S. Ry. and the B. & O. Ry. are leased by the O. P. R. at rental of 40 % of gross earnings. The C. P. R. has taken a further lease of the latter railway for 999 years at 4 % rental on bonds outstanding; bonds mature July 1916. (g) Guar. by O.P.R. (h) Not allowing of redemption. (r) Allowing for redemption of bonds at par at maturity.

CUBAN RAILWAYS AND THE EUROPEAN WAR.

THE CUBA RAILROAD COMPANY.

"It's an ill wind that blows nobody good," may be justly applied to the island of Cuba with reference to the outbreak of hostilities in Europe. Immediately war was proclaimed the supply of sugar from the Continent, whence we derive most of our requirements, was entirely cut off, and having regard to the fact that stocks both in this country and in the United States are unduly low, the demand for Cuban sugar is likely to be great. Fortunately the Cuban crop this year is exceptionally large—the largest, indeed, on record, the production to the end of July having reached 2,468,528 tons, as against 2,267,094 tons in 1913, the previous record. The greater portion of these supplies are exported mainly to the United States. As regards this country our imports of Cuban sugar last year amounted to about 224,000 tons, of a total value of £2,246,000. In consequence, however, of the Continental situation the price of sugar has risen to a very high level, current quotations varying between 50 per cent. and 100 per cent. higher than they were at this time last year. Assuming that our imports from Cuba this year are no larger than they were in 1913 the price we shall have to pay will

be something like £4,000,000, as against under £2,250,000. With Continental supplies cut off and with stocks in this country low a very much larger quantity will have to be imported this year from Cuba and elsewhere to help meet our requirements. Indeed every available ton will be needed to in some measure make good the Continental deficiency.

The value to Cuba of this position will be evident from the fact that of its total exports something like 65 per cent. consists of sugar; and, consequently, whilst the crop is always of prime importance to the country it is doubly so now with the present state of European politics. With the certainty of a bumper crop likely to be marketed at exceedingly high prices the outlook for the country is very favourable. Enormous profits will be made by planters and others connected with the industry, the wealth of the country will be enhanced, trade generally will continue active, and a large amount of money will be available for increasing the productivity of the island.

A considerable amount of British capital is invested in Cuban enterprises of various descriptions, the most important being in its railways. These comprise the Cuba Railroad (602 miles), the Cuban Central (345 miles), the United Railways of the Havana (681 miles), and the Western Railway of Havana (147 miles). In all cases the varying fortunes of the sugar industry are of supreme importance, the greater portion of their freight traffic consisting of sugar, sugar cane, molasses, and the various materials connected with the trade, as well as the necessities of those engaged therein. The present position of affairs is, therefore, of considerable importance to British investors who have placed their capital in Cuban Railway undertakings. In the first place large earnings will be secured from the carriage of sugar cane from the plantations to the factories, and of sugar from the factories to the ports. Secondly, a considerable additional revenue will be obtained from the transport of materials connected with the trade; and thirdly, the companies will benefit from the general all-round expansion in business which the increased wealth and prosperity of the country will create. As it is impossible to deal comprehensively with all the companies in a single article, we purpose this week analysing the position of the Cuba Railroad, and will continue our examination of the other railways in subsequent weeks.

The Company is the youngest of the group, having been organised as recently as May 1900. Nevertheless, such rapid strides have been made since operations were commenced that the Company already occupies a very important position in the railway enterprises of the Republic. The system of 602 miles is now all in operation. The main line (387 miles) extends along the middle of the south-west portion of the island from Santa Clara, its western terminus, to Santiago de Cuba on the south coast and to Antilla on the north-east coast of the eastern end of the island, and the Company enjoys the complete monopoly of the trade of these two ports. The remainder of the mileage is made up of comparatively small but nevertheless important branches, which act as feeders to the main line.

The freight traffic consists largely of sugar and tobacco, but the Company enjoys a fairly large general business, while the revenue derived from passengers constitutes over 40 per cent. of the total gross earnings. The crop fluctuations naturally affect the prosperity of the line, but a retrospect of the results of working for the last few years shows that notwithstanding the many vicissitudes through which the Company has passed a substantial annual improvement has taken place in the earnings and profits of the undertaking. It will be seen from the table appended that in the nine years from 1905 to 1914 the gross earnings have risen from \$1,029,000 to \$5,164,000, while the

net earnings have advanced from \$295,000 to as much as \$2,471,000. The growth of profit has been equally satisfactory, for whereas for the year to June 30, 1905, the surplus in excess of charges was only \$37,000, for the twelve months ended with June last it was as much as \$1,651,500.

The following retrospect of the main results of working since 1903-04 shows the rapid and continuous advances made from year to year in the earnings and profits of the line:—

Cuba Railroad.

Year	Mileage	Gross Earnings \$	Working Expenses— Amount Ratio \$ %	Net Earnings \$	Net Profit \$
1913-14	602	5,164,671	2,693,743 52.00	2,470,922	1,651,505
1912-13	602	4,632,040	2,416,538 52.17	2,215,502	1,414,280
1911-12	602	3,819,253	2,000,333 52.37	1,818,863	1,059,862
1910-11	602	3,059,650	1,685,579 55.09	1,374,071	797,316
1909-10	596	2,559,335	1,452,036 56.73	1,107,299	672,089
1908-09	444	2,157,165	1,207,076 56.95	950,089	550,799
1907-08	440½	2,039,498	1,318,180 64.63	721,238	355,425
1906-07	428	1,953,309	1,294,955 66.30	658,354	332,424
1905-06	428	1,619,082	1,056,556 65.25	562,526	287,861
1904-05	428	1,029,258	733,635 71.23	295,623	37,448
1903-04	—	524,042	508,119 108.04 (Loss)	42,077	—

The Company is now paying not only the full 6 per cent. on its Preferred stock, but is this year distributing at the rate of 6 per cent. per annum on \$10,000,000 of Common stock. The margin behind the dividend is as much as \$451,500, and the accumulated profit and loss surplus amounts to no less than \$3,848,000. To show the existing charges of the Company and the relative strength of the Preferred and Common stocks we append the income statement of the Company for the last five years:—

Cuba Railroad.

Year ended June 30—	1914	1913	1912	1911	1910
Gross earnings:	\$	\$	\$	\$	\$
Passenger	—	1,939,059	1,666,096	1,427,270	1,185,811
Freight	—	2,156,843	1,738,243	1,319,304	1,138,474
Other	—	536,138	416,914	313,078	237,050
Total	5,164,671	4,632,040	3,819,253	3,059,650	2,559,335
Working expenses	2,693,749	2,416,538	2,000,333	1,685,579	1,452,036
Ratio	(52.00)	(52.17)	(52.37)	(55.06)	(56.73)
Net earnings	2,470,922	2,215,502	1,818,860	1,374,071	1,107,299
Fixed charges	819,417	801,222	758,998	576,755	435,210
Net profit	1,651,505	1,414,280	1,059,862	797,316	672,089
Div. on Pref. stock	600,000	600,000	550,000	450,000	350,000
Rate per cent.	(6%)	(6%)	(5½%)	(4½%)	(3½%)
Profit for Ordinary	1,051,505	814,280	509,862	347,316	322,089
Ordinary dividend	600,000	400,000	—	—	—
Rate per cent.	(6%)	(4%)	—	—	—
Surplus	451,505	414,280	509,862	347,316	322,089
Brought forward	3,396,841	2,982,561	2,472,699	2,125,333	1,803,294
Carried forward	3,848,346	3,396,841	2,982,561	2,472,699	2,125,333

At the present time, therefore, the Company is earning profits equal to a dividend of over 10½ per cent. on the Common stock. Since July 1, 1913, the policy has been discontinued of setting aside \$8,000 a month for "extraordinary displacement." It may be explained that owing to the rapid construction of the line a large amount of betterment work has had to be accomplished ever since the railway was opened some 12 years ago, and as recently as 1907 nearly £160,000 a year was being charged to expenses for betterment purposes. Since 1908 the annual charge has been £96,000, and as the special replacements for which the money was needed are now completed there is no necessity to make any further allocation from revenue for the purpose. The large profits which the Company is earning and the existing margin behind the 6 per cent. dividend on the Common will be apparent from the following statement of the profits earned and dividends paid for the last nine years:—

Year	Net Profit	Betterments Charged to Expenses	Total Profit	Dividend On Preferred Stock	Dividend On Common Stock	Divs. Paid Pref. Com.
1913-14	1,651,000	—	1,651,000	6	\$600,000 10½	\$1,050,000 8 ½
1912-13	1,414,000	96,000	1,510,000	6	600,000 9	900,000 6 4
1911-12	1,060,000	96,000	1,156,000	6	600,000 5½	550,000 4½
1910-11	797,000	96,000	893,000	6	600,000 3	300,000 4½
1909-10	672,000	96,000	768,000	6	600,000 1½	175,000 3½
1908-09	551,000	96,000	647,000	6	600,000 ½	50,000 1½
1907-08	355,000	156,000	511,000	5½	512,000	—
1906-07	288,000	158,000	446,000	4½	450,000	—
1905-06	37,000	114,000	151,000	1½	150,000	—

The capital of the Company consists of \$10,000,000 of Preferred stock and \$10,000,000 of Common, and there is a bonded indebtedness of \$16,030,000. The bonds are very well secured, the total fixed charges absorbing only about one-third of the existing net income of the line. The Five per Cent. First Mortgage bonds are quoted at 104, and, allowing for accrued interest and exchange, a yield of about £5 per cent. is forthcoming. The Five per Cent. Improvement and Equipment bonds, issued in 1912 at 95 per cent. (New York terms), are now obtainable at 99, and the yield is consequently about £5 6s. 5d. per cent.. The price of the Six per Cent. Non-Cumulative Preferred stock is 101, and the yield afforded is as much as £6 3s. 9d. per cent.

The capital of the Company and the prices of its securities are recapitulated beneath:

Security	Amount	Interest %	Price	Yield* £ s. d.
5% 1st Mort. 50-year Gold bonds	12,030,000	5	104	5 0 0
5% Improvement and Equip. Bonds	4,000,000	5	99	5 6 5
6% Non-Cum. Preferred stock	10,000,000	6	101	6 3 9
Common stock	10,000,000	6	—	—

Total authorised capital ... 36,030,000

* Allowing for accrued interest and exchange.

THE ELECTRICAL ENGINEERING INDUSTRY.

ONE of our industries that is already experiencing benefit from the war, and should experience very considerable expansion later on, is the electrical engineering industry. This industry is one of the youngest, and naturally, therefore, the possibilities of expansion are much greater than those more established. In fact, it may be said to be practically in its infancy, and when regard is had to the fact that, so far as can be seen at present, the use of electricity as a motive force bids fair to establish a commanding position for itself in the world, and may, indeed, to a large extent oust older competitors, the opportunities for expansion are almost illimitable. In this country, largely as a result of foolish legislation, the industry has been held back, and other countries, notably the United States and Germany, have shown much greater progress. During the last few years, however, a change has occurred, and British manufacturers have at length recognised the importance of the industry and the tremendous opportunities for expansion. We are, however, only just beginning to appreciate the value of electricity as a motive force, but with a steady increase in its use, both as a source of power for other standard industries and also for railway working, there is a very large field to be occupied. Our railways have only as yet made a beginning of electrifying their systems, and in this direction alone there are very great possibilities. And when there is taken into consideration the manner in which electricity is being and can be used in our large industries, such as the iron and steel, the coal, general engineering, and chemical industries, &c., some idea may be obtained as to the possibilities of growth. The figures that are available as to the size of the industry are, of course, small when compared with those of the old-established industries of the country. Some idea of the size may be gathered from the figures given in the Census of Production, but it must not be forgotten that those figures were for 1907, and in the seven years that have elapsed since then a considerable growth has occurred. Taking, however, the 1907 figures, the value of the total output was somewhat over £14,000,000. Of this amount the output of electrical machinery and parts was valued at £4,312,000. The second in size was electrical power and lighting cables, and the value of this output was £3,351,000. Then came telegraph and telephone cables, which were valued at £1,911,000. Thus the total value of the cables, power, lighting,

telegraph, and telephone, which combined gives a figure of £5,262,000, would occupy first place. Herewith we summarise the figures of the Census of Production under the principal headings:—

Electrical Engineering Trade Output.

	£
Electrical machinery and parts	4,312,000
Electrical instruments of all kinds	543,000
Batteries	549,000
Lamps and parts	465,000
Telegraph and telephone cables	1,911,000
Electrical power and lighting cables	3,351,000
Transmission apparatus and plant	543,000
Electrical accessories	385,000
Telegraph and telephone accessories	380,000
Contract work	1,322,000
Repairs and maintenance work	337,000
Total, Electrical Engineering	14,098,000

Further information is, of course, forthcoming from the Board of Trade figures relating to our import and export trade. The total value of our exports of electrical goods and apparatus for 1913 was £5,386,273, as compared with £2,230,799 for 1909. The main item is that of telegraph and telephone cables, the exports of which were valued at £2,615,244 for 1913. A further important item is that of electric wire and cables, the value of which last year was £962,419. Our exports of electrical goods under the principal headings may be seen from the following statement:—

Exports of Electrical Goods and Apparatus.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Electric wire & cables	962,419	1,180,904	826,518	817,775	599,356
Telegraph and telephone cables	2,615,244	1,553,099	750,553	2,269,278	741,752
Telegraph and telephone apparatus	290,279	259,997	263,125	224,022	254,775
Carbons	10,064	11,839	15,480	18,371	10,257
Electric lamps and parts	218,796	206,683	203,387	163,984	116,996
Batteries	226,325	223,271	157,692	120,925	111,144
Unenumerated	1,063,146	905,794	602,619	488,247	396,539
Total	5,386,273	4,341,587	2,819,374	4,102,602	2,230,799

The industry at present is receiving benefit from a partial cessation of the imports. Of course, as far as Germany and Austria-Hungary are concerned, imports have ceased entirely, and to a large extent imports from other European countries are also suspended for the time being. Naturally, therefore, there is afforded the opportunity to our manufacturers to make good the shortage in imports, and, in view of the help now afforded by the Board of Trade to manufacturers desirous of securing trade that has hitherto been taken by Germany and other competitors, there is little doubt that our manufacturers will be prepared, not only to increase their normal output, but to take every advantage of the opportunity now given to them of securing new trade. The imports of electrical goods and apparatus may be separated under six chief heads—namely, electric wire and cables, telegraph and telephone apparatus, carbons, electric lamps and parts, batteries, and sundries not enumerated. In 1913 we imported electric wires and cables of a total value of £512,761, of which the value of the German imports was £362,277. In 1909 the total was valued at £343,284, of which Germany was responsible for £239,481. Herewith we set out details of the imports of electric wires and cables for the past five years:—

Electric Wires and Cables.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Germany	362,277	315,627	359,132	350,175	239,481
Netherlands	1,174	306	421	605	850
Belgium	37,303	25,716	18,616	21,822	37,498
France... ..	16,687	16,924	26,927	24,292	27,311
Italy	53,446	47,314	45,726	47,081	17,821
United States	6,926	7,727	5,758	3,158	5,569
Other foreign countries	34,948	39,312	28,466	23,749	19,754
Total	512,761	452,926	485,046	470,882	343,284

In 1913 the value of our imports of telegraph and telephone apparatus was £236,988. Of this the largest amount came from Sweden, the value of the Swedish imports being £79,100. Belgium came second with imports valued at £75,102, while Germany took third place with imports of £39,264.

Herewith are appended details of the imports of the past five years of telegraph and telephone apparatus:—

Telegraph and Telephone Apparatus.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Sweden	79,100	87,279	63,589	69,449	38,252
Germany	39,264	40,976	53,404	35,066	35,237
Belgium	75,102	72,072	78,201	48,268	71,485
France	7,519	3,357	4,287	5,155	5,928
Other foreign countries	36,003	14,870	14,346	16,341	16,624
Total	236,988	218,554	213,827	174,879	167,526

The third heading is that of carbons, which, of course, are used in arc lamps, &c. In this branch of the industry Germany is an important competitor, and out of total imports in 1913 valued at £163,444 German imports stood at £97,471. France came second with imports of £46,897. Austria-Hungary formerly did a fairly large business, the imports from that country in 1909 being valued at £25,233, but by 1913 the value had dropped to £5,625. Particulars of the imports of carbons for the past five years are set out below:—

Carbons.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Germany	97,471	83,341	72,162	74,410	74,171
Netherlands	556	488	394	634	650
Belgium	2,154	6,419	5,383	6,560	4,607
France	46,897	44,400	37,292	36,359	32,628
Austria-Hungary	5,625	5,979	6,820	24,347	25,233
United States	4,215	1,781	2,497	843	1,758
Other foreign countries	6,526	3,609	3,893	2,459	2,422
Total	163,444	146,017	128,441	145,612	141,469

As regards the imports of electric lamps and parts, which rank second in value, Germany again occupies a strong position. The total value in 1913 was £314,828, and of this Germany contributed £254,354, whilst her ally, Austria-Hungary, sent lamps and parts to the value of £7,409. The second largest importer was the Netherlands, whose trade amounted to £25,362. The particulars are given herewith:—

Electric Lamps and Parts Thereof.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Germany	254,354	327,210	356,433	622,376	430,578
Netherlands	25,362	22,243	19,969	32,623	32,357
France	17,902	20,650	22,911	28,258	31,562
Austria-Hungary	7,409	7,990	12,191	17,996	5,883
United States	4,178	19,206	13,696	5,625	11,689
Other foreign countries	5,623	15,174	12,970	12,298	11,483
Total	314,828	412,473	438,170	710,176	523,552

A commanding position is taken by Germany as regards the imports of electrical batteries, and the German trade has shown a very remarkable increase recently. Batteries to the value of £47,477 were imported in 1909. In 1913 the value was £89,781. In the earlier year the value of the imports from Germany was £13,133, but for 1913 the value rose to £60,387. Particulars may be seen from the following statement:—

Batteries.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Sweden	1,552	202	283	2,054	823
Denmark	6,713	5,661	6,054	3,874	4,149
Germany	60,387	39,912	18,033	18,889	13,133
France	8,778	15,421	13,512	18,443	22,653
United States	5,253	2,643	2,361	1,871	3,691
Other foreign countries	7,098	3,290	5,727	2,401	3,028
Total	89,781	67,129	45,970	47,532	47,477

A similar state of affairs is noticed in the sundry imports unenumerated. The value of these in 1909 was £99,081; in 1913 the value was £253,075. In so far as Germany is concerned, the value of the imports from that country in the earlier year was £36,328; last year the value had risen to £112,247. An almost equally large growth is shown in the imports from the United States, which have increased from £38,201 in 1909 to £99,189 last year. Herewith we set out details of the sundry unenumerated articles:—

Unenumerated.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Sweden	490	4,134	1,980	2,750	567
Germany	112,247	86,880	47,718	63,270	36,328
Belgium	15,495	11,542	12,605	14,085	12,598
France	18,871	13,885	15,541	7,997	10,434
United States	99,189	37,708	40,574	46,250	38,201
Other foreign countries	6,783	4,428	4,086	2,282	4,953
Total	253,075	158,577	122,504	136,634	99,081

Summarising the imports we find that for 1913 they reached a total of £1,570,877. Of this total Germany and Austria combined sent goods valued at £939,034. The figures are as follows:—

Totals of Imports.

	1913	1912	1911	1910	1909
	£	£	£	£	£
Electric wire & cables	512,761	452,926	485,046	470,882	343,284
Telegraph & telephone apparatus ...	236,988	218,554	213,827	174,879	167,526
Carbons ...	163,444	146,017	128,441	145,612	141,469
Electric lamps & parts	314,828	412,473	438,170	710,176	523,552
Batteries ...	89,781	67,129	45,970	47,532	47,477
Unenumerated ...	253,075	158,577	122,504	136,034	99,081
Grand total ...	1,570,877	1,455,676	1,433,958	1,683,715	1,322,389
Of which					
Germany & Austria sent ...	939,034	907,915	925,893	1,206,529	859,944

It will thus be seen that with a total cessation of imports from Germany and Austria, and a heavy falling-off in those from other countries, there is a very large field for our manufacturers to work on in the way of making good the deficiency, and there is no doubt that a very large portion of this can be made good without the expenditure of much, if any, extra capital. Indeed, in certain cases the works of our manufacturers have been planned on a much larger scale than is necessary to take care of present business, and in other cases doubtless it is possible to undertake a fair amount of extra work without the necessity of enlarging the plant and premises. Consequently manufacturers appear to have before them an opportunity of securing increased trade and making larger profits, which we doubt not they are in all respects perfectly competent to undertake. We deal herewith with the position of some of the principal companies engaged in the electrical engineering industry:—

BRITISH WESTINGHOUSE ELECTRIC.

This is one of the most important of the companies engaged in electrical engineering. It was formed by the late Mr. George Westinghouse—a man of “great organising capacity and extraordinary inventive powers”—who judged in 1899 that the time was ripe for establishing works for the manufacture of electrical machinery and appliances on a much larger scale than had hitherto been attempted here. In the result, however, the works were planned on too large a scale to meet the requirements of business in this country, under the mistaken impression that such requirements would be on a scale comparable with those of the United States, and also that the railways of this country would decide to convert their systems from steam to electricity immediately it was shown that there were in existence works sufficiently large and powerful to undertake the transformation. Such hopes were, of course, not realised; and the natural conservatism of the British people was aided by the great trade depression that followed on the South African war, so that the electrical industry in this country passed through several years of extreme depression.

Two capital reorganisations have been necessary. The first wrote off £1,375,000, and the second £725,000. In both schemes care was taken to maintain the same relative position of the two classes of shares as at the incorporation of the Company, so that the Preference shares are now entitled to a dividend of 15 per cent., then the Ordinary shares rank up to 30 per cent., and the division of surplus profits between the two classes remains as before—namely, one-fourth among the Preference shares and three-fourths among the Ordinary shares. In other words, the 500,000 Preference shares in issue will be entitled to participate each year in the profits up to £150,000 before any distribution is made to the Ordinary shareholders. In the event of liquidation the rights of the two classes of shares remain as at present, so that the

Preference shares will first receive £5 per share before any distribution is made to the Ordinary shareholders.

Thus the total amount written off the capital is £2,100,000, with the effect that while the relative rights of both classes of shares remain unchanged the assets have been written down to a figure at or below their real value, thereby placing the Company in a much stronger position.

For 1913 the directors reported a continued improvement in the business, with an increased volume of work, and the result is that the gross profits amounted to £223,103, the largest in its history; and after providing fully for depreciation, &c., and paying a dividend on the Preference shares at the rate of 5 per cent., a sum of £50,000 was set aside for the purpose of starting a reserve fund. The balance of £6,493 was carried forward.

In the following statement we set out the profits made since 1908 and the manner in which they have been appropriated:—

	1913	1912	1911	1910	1909
	£	£	£	£	£
Gross profit, &c. ...	223,103	157,072	125,283	110,134	81,040
Less interest, &c. ...	—	849	861	2,405	3,116
Service of Prior Lien bonds, &c. ...	20,000	20,000	20,000	20,000	20,000
Debtore stock interest, 4 % ...	49,654	49,654	49,654	49,654	49,654
Expenses on surplus land and buildings, &c. ...	2,856	3,033	4,254	5,365	5,674
Written off Debtore	—	660	660	690	660
Issue expenses ...	—	44,010	30,868	24,423	8,957
Depreciation, &c. ...	50,000	—	—	—	—
Preference dividend ...	50,000	—	—	—	—
Reserves ...	—	—	—	—	—
Balance ...	6,493	41,074	20,708	12,437	—799
Brought forward ...	—	25,825	5,117	—7,320	—6,521
Carried forward ...	6,493	66,899	25,825	5,117	—7,380

Thus the profits for 1913 are not far short of three times the amount secured for 1909, and they show an increase of £66,000 over those for 1912. It is thus evident that a very substantial improvement has occurred, and as the decks have been cleared, the assets written down to or below their real value, and all paper assets, with the exception of goodwill, standing at £150,000, have been wiped out, it will be recognised that the Company now occupies a much better position and is much stronger than it has been at any time since its formation.

We append a synopsis of the balance sheet at December 31 last:—

<i>Liabilities.</i>		<i>Assets.</i>	
	£		£
Debtore capital ...	1,455,853	Goodwill, patents, &c. ...	150,000
Share capital ...	1,150,000	Works, machinery, plant, &c. ...	1,209,676
Sundry creditors, &c. ...	291,095	Stock and materials on hand	737,564
Reserve funds ...	60,000	Completed works on contracts (balance) ...	251,001
Profit and loss account ...	56,494	Sundry debtors, &c. ...	242,322
		Investments ...	172,611
		Cash ...	250,268
	3,013,442		3,013,442

A recent quotation for the £2 Preference share, on which 5 per cent. was paid last year, is 1½. The Six per Cent. Prior Lien Debentures are about par, and the Four per Cent. Mortgage Debentures about £72.

BRITISH INSULATED AND HELSBY CABLES.

This well-known North-country Company is an amalgamation of two concerns—the British Insulated Wire Company and the Telegraph Manufacturing Company, the former of which was chiefly engaged in the manufacture of large cables, while the other was chiefly concerned in manufacturing smaller cables and accessories. But the basis has been broadened by the interests which have been taken in other companies. Out of total assets valued on December 31 last at £2,276,259, there is shown an item amounting to £525,829 which represents investments at cost, including shares and Debentures in, and cash advances to, various electrical undertakings established or controlled by the British Insulated Company.

In 1912 the British Insulated Company sold its Liverpool works to a new Company, entitled the Automatic Telephone and Manufacturing Company, Limited. The terms of sale were that the British Insulated Company received for the land, buildings, plant, and machinery £50,000 in cash, the new Company buying all the stocks in hand at a valuation. In addition, the purchase price included 70,000 £1 Ordinary shares of the Automatic Company. On the other hand, the British Insulated Company guaranteed the interest on 200,000 Six per Cent. Preference shares in the Automatic Company, which guarantee continues until the reserve fund of that Company amounts to £100,000. The reasons for accepting the offer of the Automatic Company were that the Liverpool works were not of a size commensurate with the Company's operation in other directions, and the telephone business of the Company was a new creation without any goodwill. In the circumstances, therefore, it was found difficult to compete with other longer-established firms, and it was felt that the only way to meet the situation was to obtain some speciality, so that the business should not be entirely dependent on work in which competition was keen, and as a result of inquiries made in the United States it was found that the Automatic Company controlled a system which was working successfully. As a result the arrangement between the two companies was entered into, and so far the results secured are quite satisfactory, and, as the Chairman of the British Insulated Company has said, "in the opinion of the directors the holding we now have in that Company is likely in the future to prove a valuable asset."

It will thus be seen that the policy of the Company is to place its business on as wide a basis as possible. The directors have not been content to confine their activity to business at home, but during the past few years many new agencies have been opened up, with the result that it is now represented in practically every civilised country in the world. Moreover, the range of its manufactures has been judiciously expanded. Not only is it actively manufacturing every possible line in electrical cables and insulated wires, as well as large quantities of copper wire, but in addition it has taken up the manufacture of many articles allied to but not coming directly within the scope of a cable business. Attention may again be called to one feature of the business, and that is that a large number of the customers are corporations and other municipal authorities, so that the Company is to a large extent free from the liability, which is in many cases serious, of incurring bad debts. The capital at present in issue consists of £500,000 First Mortgage Four-and-a-Half per Cent. Debenture Stock, £200,000 of Second Mortgage Five per Cent. Debenture stock, £500,000 of Six per Cent. Preference shares of £5 each, and £500,000 of Ordinary shares of £5 each. The reserve fund at December 31 last amounted to £250,000. The Company is building up a redemption account for the First Mortgage Debenture stock, which amounted at the end of last year to £60,000. The largest item among the assets is the property, plant, machinery, &c., valued at December 31 last, after writing off £22,000 for depreciation, at £630,579. Stocks were valued at £553,457, as compared with £596,600 at the end of 1912. Cash in hand at the end of the year amounted to as much as £154,012. Patents and goodwill, which originally stood at £251,673, have been wiped out entirely. Altogether, therefore, it will be seen that a strong position has been built up.

Recent contracts include the supplying of large quantities of telephone cable for the General Post Office, the whole of the high-tension cable for the electrification of the London and North-Western Rail-

way's suburban system, and the overhead equipment in connection with the electrification of the Melbourne suburban railways.

We here show the manner of the distribution of the profits for each of the past six years:—

	Year ended December 31—1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£
Net trading profits ...	247,351	213,395	188,259	143,304	131,767	193,832
Less directors' fees, &c....	5,315	5,315	5,316	4,489	4,502	4,498
Depreciation ...	22,000	25,000	32,500	27,500	25,000	—
Goodwill and patents ...	35,000	36,500	—	—	—	32,165
Debenture interest, 4½ %	32,500	32,500	30,612	22,764	22,500	22,500
Preference dividend, 6 %	30,000	30,000	30,000	30,000	30,000	30,000
Ordinary dividend ...	65,000	50,000	50,000	50,000	50,000	50,000
	(13 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)
To reserves ...	33,500	28,500	18,500	8,500	8,500	32,000
Balance ...	24,036	10,580	21,351	61	—8,735	22,669
Brought forward ...	74,231	63,651	42,320	42,269	51,004	23,335
Carried forward ...	98,267	74,231	63,651	42,320	42,269	51,004

We further set out the present capital, recent prices, and yields afforded:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
500,000	4½ % 1st Mt. Deb. stock ...	100	102	4½	4 9 0
200,000	5 % Mt. Deb. stock ...	100	102	5	4 18 0
500,000	6 % Cum. Pref. shares ...	5	6½	6	4 18 9
500,000	Ord. shares ...	5	10½	13	6 7 6

GENERAL ELECTRIC COMPANY, LIMITED.

This Company, which must not be confused with the well-known American concern of the same name, was formed in 1900. It carries on the business of general electrical contractors and manufacturers. At its engineering works it produces complete electrical plants for power, light, traction, and power transmission, including the smallest motors used for domestic purposes as well as the largest turbo-generators built in this country. In addition to all kinds of switchboards, &c., there are shops for the production of arc lamps. All classes of electric fans and electric heating and cooking appliances are also produced, and at Witton, near Birmingham, have been erected the only carbon works in this country, where are manufactured carbons for arc lamps, projectors, and batteries. A further branch of the business is the manufacture of complete telephone station equipments and all classes of telephonic apparatus. Not only does the Company cater for home trade, but by means of subsidiaries it has branches in South Africa, Australia, India, China, the Argentine, France, Spain, and Belgium. It has an issued share capital of £400,000 Six per Cent. Cumulative Preference shares, £400,000 in Ordinary shares, together with an issue of £200,000 of Four per Cent. Debenture stock. The Ordinary shares are not in the hands of the public, but are held by the directors and their friends. From the establishment of the Company as a public concern in 1900 the profit up to 1906 exceeded £70,000 per annum, amounting on one occasion to as much as £94,000. For 1907 they were reduced to below £70,000, amounting to £68,546, while for 1908 a further fall to £59,753 occurred. Since then a steady rise has occurred year by year, until for the twelve months to March 31, 1913, they amounted to the largest in the history of the Company, being £145,260. The distribution of the profits for each of the past five years may be seen from the following:—

	Year ended March 31—1913	1912	1911	1910	1909
	£	£	£	£	£
Trading profits, &c. ...	145,260	123,564	119,146	95,462	78,201
Less Depreciation ...	24,543	24,400	24,351	19,058	18,987
Debenture interest, 4 %	8,000	8,000	8,000	8,000	8,000
Preference dividend ...	19,878	12,500	12,500	12,500	12,500
Ordinary dividend ...	40,000	29,960	19,973	19,395	18,698
	(10 %)	(7½ %)	(5 %)	(5 %)	(5 %)
Managing directors' and employees' bonus ...	22,559	8,866	7,432	5,590	3,871
To reserve fund ...	30,000	30,000	43,616	22,000	16,145
Balance ...	280	19,838	3,294	8,919	—
Brought forward ...	32,051	12,213	8,919	—	—
Carried forward ...	32,331	32,051	12,213	8,919	—

The following is a synopsis of the balance sheet at March 31, 1914:—

<i>Liabilities.</i>		<i>Assets.</i>	
	£		£
Debenture stock ...	200,000	Land and buildings ...	159,399
Share capital ...	800,000	Machinery, &c. ...	75,539
Sundry creditors ...	338,752	Goodwill and patents ...	1
Reserve fund, &c. ...	180,000	Sundry debtors ...	519,970
Profit and loss account ...	133,896	Stocks and work in progress ...	513,535
	1,852,648	Investments ...	303,895
		Cash ...	40,309
			1,662,648

The Four per Cent. Debenture stock is quoted at 90, and the £10 Six per Cent. Preference shares at £10½.

NATIONAL PENNY BANK. VOLUNTARY LIQUIDATION.

ONE of the first institutions to be adversely affected by the European situation was the National Penny Bank, Limited, which on the Saturday before the August Bank Holiday issued the following statement:—"Owing to the serious financial position, both at home and abroad, causing all Stock Exchange securities not only to suffer enormous depreciation, but, at the present time, to be unrealisable, and, further, creating great difficulty in obtaining gold coin, the directors, with great reluctance, feel themselves compelled in the best interests of the depositors to close the branches of this institution."

It was hoped that the Bank would be able to pull through, but at a meeting of the shareholders on Monday last a resolution was passed for voluntary liquidation. It is estimated unofficially that when it is possible to realise some of the securities on a resumption of Stock Exchange business a first distribution of 10s. in the £ will be made. The capital of the Bank may be seen from the following:—

Authorised, 15,000 Shares of £10 each ...	£150,000
Paid up, 8,369 Shares £5 paid ...	41,845
3,459 Shares £1 paid ...	3,459
Total ...	£45,304

Calls paid in advance on Shares £5 paid ...	£11,300
Do. on Shares £1 paid ...	10,811
Total ...	£22,111

Which added to the previous amount gives £67,415

The National Penny Bank, Limited, was established in 1875. It does not do ordinary banking business, being purely a savings bank. There are 14 offices, all in London. The following shows the liabilities and assets of the institution as at December 31, 1911, 1912, and 1913:—

National Penny Bank, Limited.

LIABILITIES.	Dec. 31, '13.		Dec. 31, '12.		Dec. 31, '11.	
	Amt. £	Propn. of Total. %	Amt. £	Propn. of Total. %	Amt. £	Propn. of Total. %
Capital paid up ...	67,415	2.6	66,912	2.7	64,587	2.3
Reserve funds ...	129,776	5.1	148,265	5.8	139,446	5.0
Deposits ...	2,367,178	92.1	2,196,568	86.7	2,348,010	83.8
Advance account ...	—	—	122,000	4.8	240,000	8.6
Profit balance ...	6,165	.2	674	.0	9,408	.3
	2,670,534	100.0	2,634,305	100.0	2,796,451	100.0
ASSETS.	Dec. 31, '13.		Dec. 31, '12.		Dec. 31, '11.	
	Amt. £	Propn. of Total. %	Amt. £	Propn. of Total. %	Amt. £	Propn. of Total. %
Cash in hand ...	113,678	4.4	10,102	.4	17,991	.7
Interest accrued ...	25,715	1.0	25,968	1.0	28,482	1.0
Investments ...	2,364,345	92.0	2,434,278	96.1	2,692,779	96.3
Bank premises, &c. ...	66,296	2.6	63,957	2.5	57,199	2.0
	2,670,534	100.0	2,634,305	100.0	2,796,451	100.0

In 1912 the directors reported that the progress made during the latter half of the year was most satisfactory, but that it was not sufficient to counterbalance the abnormal withdrawals which occurred at the end of 1911 and the early part of the current year. In consequence of these abnormal withdrawals the adverse effect on profits was not felt until 1912. In these exceptional circumstances it was decided not to pay a dividend. The results for 1913 were regarded by the directors as satisfactory, and the accounts show that

after providing for expenses there remained a profit of £6,164, including £574 brought forward. It was decided to place £5,000 to the reserve fund and carry forward the balance of £1,164. Accounts were open on December 31 last with 132,206 persons. During the year the amount deposited was £1,135,301, and £54,029 was credited for interest to deposit accounts, so that the total deposits during 1913 amounted to £1,189,330. The amount withdrawn was £1,018,708. Thus the balance of deposits, including interest added to depositors' accounts, over withdrawals amounted to £170,622. The balance in hand due to depositors on December 31 was £2,367,178, and the assets showed the following proportions to these liabilities:—

	£	%
Cash ...	113,678	4.8
Investments ...	2,364,815	99.9

At the annual general meeting in 1908 the capital was increased from £100,000 to £150,000, and an issue of 5,000 shares of £10 each was sanctioned. Of these new shares 370 were taken up during 1913, making a total of 1,828.

ANOTHER SMALL BANK SUSPENDS.

MESSRS. HARRIS, BULTEEL AND COMPANY, proprietors of the Naval Bank, Plymouth, announce that they have been obliged to suspend payment, and have executed a deed of arrangement in favour of trustees. The Bank was established in 1774, and there are 15 branches and agencies in the Plymouth district. There are only two partners. The Bank is one of the few remaining private institutions possessing a note issue, the authorised amount being £27,321.

In order to meet the convenience of the customers of the firm and to minimise the loss which will be occasioned by the suspension, arrangements have been made whereby Lloyds Bank is giving facilities to the customers, including immediate advances without interest to those having credit balances on current or deposit account. Lloyds Bank states that it will "be happy to make immediate advances, without interest, to credit customers of the firm up to 5s. in the £ in respect of their balances, and to give all possible consideration to applications from customers who desire that facilities for overdrawn accounts should be continued."

At a meeting of the creditors on Thursday a statement submitted showed that the liabilities amounted to £595,000, of which £415,000 was on deposit accounts and £180,000 on current accounts. The approximate valuation of the assets was placed at a total of £307,730. From this was to be deducted £50,830 for fully secured creditors, leaving for unsecured creditors £256,900. Subject to realisation the net assets were estimated to be sufficient to return about 8s. 6d. in the pound to unsecured creditors.

New Issues.

MOND NICKEL COMPANY, LIMITED.

THIS Company is the only refiner of nickel whose resources are entirely situated within the British Empire, the mines and smelting works being in Canada and the refineries in England. In view of the increased demand for refined nickel required for the manufacture of guns, projectiles, ammunition, and armour-plate for battle-ships, the Company is making a new issue of capital, which is offered to existing share and Debenture holders—viz., 300,000 Seven per Cent. non-Cumulative Preference shares of £1 each at par. It is pointed out that in other circumstances the shares would be offered at a premium. The Company is very prosperous, well managed, and doing a large business. The shares, therefore, are distinctly attractive, and doubtless there will be substantial applications.

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- „ 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain.
- Proposals accepted by France and Italy.
- „ 28. Austria-Hungary declares war against Serbia.
- „ 30. Partial mobilisation in Russia.
- „ 31. General mobilisation in Russia.
- Germany declares state of war.
- Italian declaration of neutrality.
- Bank of England rate 8 per cent.
- Aug. 1. Germany declares war against Russia, also invades Luxembourg.
- Bank of England rate 10 per cent.
- „ 3. German ultimatum to Belgium.
- „ 4. British ultimatum to Germany demanding assurance that the neutrality of Belgium be respected.
- Mobilisation of British Army.
- War declared between Great Britain and Germany.
- British Government undertakes insurance of British shipping during war.
- „ 5. Lord Kitchener appointed Minister of War.
- Attack upon Liège by Germans repulsed.
- Roumania to remain neutral.
- „ 6. House of Commons vote of credit for 100 millions.
- Army to be increased by half a million of men.
- General moratorium in force to September 4.
- Recruitment of additional 100,000 men commences.
- Austria-Hungary declares war against Russia.
- „ 7. Bank of England rate reduced to 6 per cent.
- Government rate of war insurance reduced to 4 guineas per cent.
- German Commander attacking Liège asks for armistice for 24 hours.
- „ 8. French force occupies Mulhausen.
- Japanese Fleet puts to sea.
- German Togoland seized by British.
- Bank of England rate reduced to 5 per cent.
- „ 10. France declares war on Austria-Hungary.
- Germans enter City of Liège. Forts intact.
- Montenegro casts in her lot with Serbia.
- „ 11. German Army mainly operating through Belgium.
- „ 12. British Declaration of War against Austria.
- German war vessels *Goeben* and *Breslau* seek refuge in the Dardanelles.
- „ 13. Government guarantees bills of exchange discounted at the Bank of England.
- Measures being arranged for holding gold in Colonies for account of the Bank of England.
- „ 17. Japanese ultimatum to Germany.
- Greece protests against Turkish movements.
- „ 18. Admission officially of landing of British Expeditionary force on Continent.
- „ 19. Advance in force of Germans in Belgium and of Russians in East Prussia.
- „ 20. Continental Bank rate reductions: France 6 to 5, Holland 6 to 5.
- „ 21. German occupation of Brussels.
- „ 22. Confirmation of Servian successes against Austria.
- „ 23. Japan at war with Germany. Kiaochau to be invested. Russian successes in East Prussia.
- „ 24. Fall of Namur.
- „ 25. Battle of Charleroi and retirement of Allies. English loss of over 2,000.
- „ 27. Further retirement of Allies in North-East of France.
- British force landed at Ostend.

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Insurance Notes.

ATLAS ASSURANCE COMPANY, LIMITED.

DURING the last few years the annual reports of this Company have supplied pleasant reading to the shareholders. The subscribed capital since the absorption of the Manchester Assurance Company in 1890, when it was enlarged, has amounted to £2,200,000, with £264,000 paid, in 220,000 shares of £10 each, with £1 4s. paid. Dividends at the rate of 5s. per share free of income tax were paid from 1905 for a series of years onwards, notwithstanding the San Francisco conflagration, involving the Company in losses of over £400,000, and were subsequently increased by gradual stages, the distribution made last year in respect of the operations of 1912 having been 7s. 6d. per share, less tax. Another increase is announced in the annual report for 1913. Inclusive of interim dividend of 3s. per share paid in October last, the dividend for the year is 8s. per share, and a particularly satisfactory feature in the accounts is that the amount added to the reserves thereafter out of profits exceeds in itself the sum required for the dividend distribution.

Apart from interest earnings the Company's profits are almost altogether derived from results of fire business, for the accident department is as yet of but small proportions, and, owing to a very liberal arrangement as regards life policyholders, the profits from the life section are nearly negligible from a dividend-earning standpoint. The fire operations in 1913 were more than usually productive of profits, and attest the fine quality of the business and the ability shown in the development and conduct of this department. The fire premium income, increased by £41,856, amounted to £1,124,296. Fire claims and contributions to fire-brigades absorbed £531,149, whilst the addition to the reserve for unexpired risks amounted to £16,742, the addition

MESSRS. EDWARD STANFORD, LIMITED, 12 to 14 Long Acre, W.C., are issuing three excellent maps of the war area. One shows the International frontiers, and brings within its scope St. Petersburg on the north, Brussels on the west, Constantinople on the east, and Malta on the south. The principal fortresses are marked in red. The map is drawn to a scale of 50 $\frac{1}{2}$ miles to the inch. Copies can be obtained printed on stout paper, 27 by 40 inches, at the price of 5s., or mounted to fold in case 8s. 6d. A second map, showing Holland and Belgium, is printed on the scale of 12 miles to the inch; while a third is of France and parts of adjoining countries, on a scale of 30 miles to the inch. The two latter maps can be had in sheets 22 by 30 inches, price 2s. 6d., or mounted to fold in case, 5s. Two further maps are in preparation; one of the Franco-German frontier, the other of the North Sea.

of these sums representing only about 48.7 per cent. of the premium income, which indicates a remarkably low loss ratio for so large a business covering both home and foreign operations. Expenses of all kinds, including commission and foreign State and municipal taxes, aggregated £415,508, or about 37 per cent. Thus there was an underwriting profit in the fire department (exclusive of interest earnings) of £160,897, which is equivalent to 14.3 per cent. of the premiums. This compares with a profit percentage of 11.7 for 1912 and 8.6 for 1911. Fire insurance business was generally less profitable to the majority of British companies in 1913 than in 1912, so that the improved result in the Atlas testifies to the care and skill with which the fire business has been selected and handled. Interest earnings in the fire fund, less income tax, amounted to £38,284, and thus the total departmental profit for the year amounted to £199,181.

The employers' liability, accident and general account shows a premium income of £44,413, having been increased as compared with that of 1912 by £6,417. After adjustment of reserve for unexpired risks, the trading profit in this section was £4,795, representing about 10.8 per cent. of the premiums. Adding interest earnings, less tax, in this section, amounting to £1,099, the total departmental profits were £5,894.

The total profits for the year as appearing in the profit and loss account for 1913 were as follows:—

	Profit from Trading £	Profit from Interest £
Fire department	160,897	38,284
Employers' liability, accident and general department	4,795	1,099
Percentage of premiums charged to life department in lieu of share of quin- quennial profits	5,701	—
Interest and fees not departmentally credited, less income tax	—	4,891
	171,393	44,274

Thus the combined amount of profits from interest and trading was £215,667, which has been disposed of as follows:—

	£
Interest on "Essex and Suffolk" Four per Cent. Debenture stock of £98,982	3,980
Dividend to shareholders at 8s. per share, less tax	82,888
Transfer to shareholders' investment reserve fund	40,641
Added to fire insurance fund	82,308
Added to employers' liability, accident and general insurance funds	5,894
	215,667

After these adjustments, the fire insurance fund amounted to £1,252,801, or to about 111 per cent. of the fire premium income, as compared with £1,153,752 at the close of 1912, which represented 107 per cent. of that year's fire premiums. The employers' liability, accident, and general insurance funds, apart from £10,760 reserved as a provision in respect of outstanding claims, amounted to £41,848, or to 94 per cent. of the relative premiums. The corresponding percentage in 1912 was 87 per cent. Thus the departmental funds have been considerably strengthened. Apart from the departmental funds, policyholders in all sections have the protection of the large paid-up and uncalled capital.

A quinquennial valuation is due in the life department at the close of the present year. During 1913 the net new life business, practically restricted to the United Kingdom, after deduction of reassurances of £30,850, amounted to £487,993, as compared with £420,788 in 1912. The total net life premium income was increased by £6,958 to £199,188, of which about 13.4 per cent. was absorbed in expenses of management and commission. Claims by death amounting to £134,526, although more by £39,757 than were reported in 1912, are stated to have been, both in number and amount, "well within the expectation." Nearly half these claims

were in cases of policyholders who had attained ages of 70 and upwards, and the average age at death was 65 years. Policies of £17,582 matured by survivorship. Though the Company grants annuities, that class of business is evidently not pushed, as the sum received as consideration for new annuities was only £1,436, and the total amount of annuities paid during the year was only £255. The amount of shareholders' profits, already referred to as having been transferred to profit and loss account in lieu of share of quinquennial profits—viz. £5,701—represents less than 3 per cent. of the year's premiums. The sum of £57,808 was transferred to the life investment reserve fund. In the general balance sheet at December 31, 1913, it is stated that the assets, including those appertaining to the life funds, were in the aggregate fully of the value stated, less the amount of the investment reserve fund; but the large amount thus transferred, in addition to sums previously set aside for this purpose during the quinquennium, lessens the amount of the life assurance fund, and is therefore a feature entering into the consideration of bonus prospects. But on the other hand the position will be dependent in this respect on the state of the Stock markets at the actual valuation date. All that can now be stated is that, apart from the question of depreciation, the normal profits of the quinquennium seem to have been quite up to the standard of the Company's previous experience. Life policyholders rely in this Company to a greater extent than usual upon interest earnings as their most productive source of bonus. The Atlas was one of the first companies to assume that it would only earn 2½ per cent. interest on its life funds, and the rate of interest actually earned has shown a considerable increase during the current quinquennium. Thus the net yield, after deduction of income tax, appears to have slightly exceeded 4 per cent. in 1913, whereas the average net annual yield during the quinquennium which ended on December 31, 1909, was £3 16s. 10d. per cent. The bonuses at several preceding quinquennial distributions have been in reversionary form at the "compound" rate of 28s. per cent. per annum. The life assurance fund was increased during 1913 by £20,544 to £2,193,707, and the life investment reserve fund by £57,808 (as above shown) to £86,974.

The sinking fund and capital redemption account for 1913 shows a premium income of £11,260, and a fund at the close of the year (increased by £10,539) of £103,806.

Total assets, December 31, 1913, £4,466,474.

HARROD'S STORES FOUNDERS' SHARES CO.—Interim dividend at the rate of 10 per cent. per annum.

THE ENGLISH VELVET AND CORD DYERS' ASSOCIATION.—In consequence of the financial situation and the Proclamation of the Moratorium the payment of the Interim dividends on the Preference and Ordinary shares is deferred until further notice.

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Manager : J. HERBERT E. LANE.**

**9 Fleet Street, London, E.C.
Actuary and Secretary :
CHAS. WINDETT.**

Commercial.

SCOTTISH IRON. IMPROVED POSITION.

It was said three months ago by a Scottish iron-master that the principal item of a catalogue of events which would cause a sustained revival of the Scottish steel and iron industries was a war between France and Germany. He did not contemplate Great Britain being involved. There is no doubt, however, that makers find their position considerably strengthened as a result of the war. The primary reason is obvious. Germany and Belgium, their most deadly competitors, have had to quit the British and Colonial markets. Scottish makers are now co-operating vigorously with the Board of Trade in making preparations to capture the abandoned trade of our enemies. With shipping, insurance, and financial

difficulties gradually disappearing, though still proving obstacles, there is a general feeling that the export trade is shaping for a big revival. At the moment there is something in the nature of a race with the United States, though the conditions are in favour of Scotland.

There are still two serious drawbacks. The same cause which has removed the competition of Germany and Belgium has also cut off the supplies of billets and tube strips for which those countries were mainly responsible. In this respect Coatbridge is the most grievously handicapped. Local works are unwilling to fill the breach except at their own price. The other drawback is the interminable quarrel over the price list. Rates are high all round. Hematite has been quoted at 75s. per ton, while the increase in finished products since the war began ranges from 20s. to 40s. Steel plates and angles are quoted at from £6 15s. to £7 per ton—an addition of 25s. to the prices ruling immediately before the war. There is a tendency towards compromise in prices which is largely due to the fact that the supplies of Spanish reaching West Coast ports are sufficient with the heavy stocks already on hand to keep the furnaces going for some time.

Steel makers are more fully employed than they have been for months past. Operations are in some cases being carried on night and day as in the times of a trade boom. Clyde shipbuilders who have been taking in larger supplies of the cheaper German and Belgian material are now falling back on the neglected Scottish makers, and Admiralty orders are also plentiful.

Every section of the industry is experiencing the effect of "the better times," which have every appearance of being prolonged.

AMERICAN COTTON.

Liverpool: Thursday.

BUSINESS in the Cotton market continues to be confined to liquidating old contracts, and very satisfactory progress is being made in reducing open commitments. Since our market was closed for free trading it is estimated that sales and purchases of futures at the officially determined rates have been arranged for about 200,000 bales. If this rate of realising can be maintained it will not be long before the directors will be able to deal with the large straddle open between Liverpool and America, which is almost the only remaining obstacle in the way of reopening the market. Last week the official trading price for January-February was reduced to 5.90, and that for middling (the basis for spot sales) to 6.20, but we understand that no further reduction is contemplated in the meantime.

Even if business had not been dislocated by the outbreak of war we doubt if the demand for spot cotton during the early part of August would have been at all active. Owing to poor trade many Lancashire mills had determined to close for two or three weeks, and the usual operatives' holidays would also have contributed to check trade buying. Now, however, there are evident signs of a revival, and we look for increased activity on the part of spinners. The financial position is rapidly improving, and with the removal of the difficulties in the way of shipments to the East there is no reason why business should not be resumed on normal lines. We do not consider the present price of 6.20 for middling American unduly high, as under the most favourable conditions it will be some time before new cotton can be brought here with any freedom. The extra cost of bringing cotton from America to Liverpool under present conditions is necessarily much higher than in ordinary times, and the parity of Liverpool is in our opinion not excessively above the price at which actual cotton can be

purchased in the South. On the other hand, any untoward development against this country in the progress of the war might place insuperable obstacles in the way of the importation of cotton, and we therefore think that spinners would be well advised to provide at current rates for a portion at least of their requirements. They have no longer to pay prices based on near months at a heavy premium as compared with distant, and while the higher grades are still scarce medium and lower qualities can be bought at a very reasonable difference in winter months. Later prices may be lower, but any spinner who defers covering until he can buy at bottom rates is incurring grave risks, and may discover that running short is a very disastrous speculation.

LANCASHIRE COTTON INDUSTRY.

THE conditions prevailing in the cotton industry of Lancashire during the past month may be described as being without parallel in the lifetime of any living person. The dislocation of trade as a result of the European war has been very severe, and the production in yarn and cloth is only about one-third of the output of normal times. Practically no fresh business has been done during the month, fresh orders being confined to Government contracts to meet the requirements of the war. Owing to the ban on telegrams in code by the postal authorities, communication with our customers abroad has been sadly interfered with. Attempts have been made at exports, and during the last fortnight some shipments have taken place, chiefly to India. The high insurance rates, however, are a bar to any important development in our foreign trade. The moratorium on the whole has done a lot of good, but in certain sections it is held that the proclamation has rather retarded than helped business. At the time of writing it is not known what the Government intends to do after the 4th of next month, but it is expected that an extension of the moratorium will be arranged with some qualifications.

On the outbreak of the war shippers of cloth instructed manufacturers to stop all deliveries. This step was of serious consequence to all producing concerns, and goods began to back up at the weaving sheds and in merchants' hands. Since then some supplies have been taken, but a steady restriction of the output of cloth has taken place. Some firms have closed down for an indefinite period, and at other sheds machinery is only running alternate weeks.

In the spinning section business has been brought to a standstill, and as most contracts are for delivery as required, users have declined to take any fresh supplies; but during the past week a little improvement has shown itself in the way of deliveries. It is expected that the Egyptian spinning section will stand the crisis better than mills engaged on American cotton. In Bolton and district, where fine counts are spun, a lot of money has been made during the last few years, and most of the concerns are in a strong position. Numerous American mills, however, are not so well situated. Some companies have big loan accounts, and whether stopped or working the interest on this money has to be paid, and in some instances amounts to a considerable sum each half-year.

The directors of the Liverpool Cotton Association have had a hard task before them to save their members from financial difficulties and at the same time assist spinners to carry on their business as much as possible on ordinary lines. The Futures market has been closed throughout the month, but business has been done on the spot. Fixed prices have been arranged, and it is admitted that these are of an artificial character. It is worthy of note that during the last few weeks, while the conditions for consumption of the raw material have been so bad, a decided improvement has taken place in the outlook for the

new American crop, and according to one authority there is the possibility of a record yield. It will be of interest to mention that the cotton exchanges in the States have decided to alter the season to August 1 to July 31, instead of the twelve months being September 1 to August 31 as in the past.

SOUTHERN PUNJAB RAILWAY.

THE interim report of the Southern Punjab Railway for the six months to March 31 last shows, as we expected, that the Company earned a profit largely in excess of the sum needed to pay the dividend of 10 per cent. The net revenue for the six months, after deducting administration expenses, interest on Debenture stock, and the share of surplus profits due to the Secretary of State for India, was £103,605. From this has to be deducted £40,693 in respect of the dividend, paid on June 1, on the proportion of the Four per Cent. Cumulative Preference stock chargeable to revenue, leaving a divisible balance of £62,912. The dividend of 5 per cent. for the six months, or at the rate of 10 per cent. per annum, on the Ordinary stock, absorbs £50,000, and there is thus a surplus of £12,912, a sum sufficient to have paid an additional dividend at the rate of 2½ per cent. per annum. The balance brought into the accounts from last year was £113,036, and the amount now carried forward is raised to the relatively large total of £125,948. No comparison can be made with the corresponding period a year ago, owing to the changed date of closing the accounts, but having regard to the growth of Rs. 8,95,493, or 27 per cent., in traffic receipts it is apparent that the Company is making substantial progress, and that it is enjoying a period of considerable prosperity. The price of the Ordinary stock is 166.



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"THREE NUNS" CIGARETTES
MEDIUM ... 3d. for 10

No. 348.

LEHIGH VALLEY RAILROAD COMPANY.

SIXTIETH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30, 1914.

Philadelphia, August 12, 1914.

To the Stockholders of the Lehigh Valley Railroad Company.
The Board of Directors herewith submit the annual report of the business and condition of your Company for the fiscal year ended June 30, 1914.

MILEAGE.

The first-track mileage owned or controlled and operated by the Lehigh Valley Railroad Company, the main line of which is double track, extending from Jersey City, N.J., to Buffalo and Suspension Bridge, N.Y., is 1,443.74 miles.

A detailed statement of track mileage is shown on pages 49 to 51 of Pamphlet Report. The average number of miles of railway operated for the year was 1,439.99.

OPERATING REVENUES AND EXPENSES.

	1914.	1913.	Inc. or Dec.
Operating Revenues—			
Coal freight	\$18,492,633 35	\$20,385,389 09	—\$1,892,755 74
Merchandise freight ...	15,026,684 11	16,339,743 97	—1,313,059 86
Passenger	4,795,147 44	4,867,554 03	— 72,406 59
Mail	195,032 87	191,821 11	+ 3,211 76
Express	443,971 75	506,191 11	— 62,219 36
Other transportation ...	478,453 44	415,731 71	+ 62,721 73
Miscellaneous	351,570 93	335,935 87	+ 14,635 12
Total operating revenues ...	\$39,783,563 95	\$43,043,371 89	+ \$3,259,807 94
Operating Expenses—			
Maint. of way and structures	\$4,575,061 96	\$5,694,422 24	—\$1,119,360 28
Maintenance of equipment ...	7,011,946 34	7,561,270 87	— 549,324 53
Traffic expenses	1,072,872 11	982,857 66	+ 89,014 45
Transportation expenses ...	14,071,182 70	13,993,617 35	+ 77,565 35
General expenses	948,08 72	875,651 45	+ 72,447 27
Total operating expenses ...	\$27,609,161 83	\$23,107,819 57	—\$4,498,657 74
Net operating revenues ...	\$12,174,402 12	\$13,935,552 32	—\$1,761,150 20
Ratio of oper. exp. to oper. rev.	69.40 %	67.62 %	+ 1.78 %

The complete Income Account appears on a subsequent page.

OPERATING REVENUES.

COAL FREIGHT.—The transportation of coal and coke produced a revenue of \$18,492,633.35, a decrease of \$1,892,705.74, or 9.28 per cent., as compared with the preceding twelve months. The percentage of coal freight revenue to total operating revenues was 46.48 per cent., a decrease of .88 per cent. The coal and coke transported, excluding the Company's supply coal, was 16,464,948 tons, a decrease of 1,430,459 tons, or 7.99 per cent. This class of tonnage was 55.02 per cent. of the total tonnage hauled during the year, a decrease of .27 per cent.

MERCHANDISE FREIGHT.—The revenue received from the transportation of merchandise freight was \$15,026,684.11, a decrease of \$1,313,064.86, or 8.04 per cent., as compared with the preceding year. The revenue derived from the transportation of merchandise freight was 37.77 per cent. of the total operating revenues, a decrease of .19 per cent. The tonnage moved, excluding Company's material, was 13,459,171 tons, a decrease of 7.00 per cent.

GENERAL FREIGHT.—The total revenue from both coal and merchandise freight was \$33,519,367.46, a decrease of \$3,205,770.60, or 8.73 per cent., as compared with the preceding twelve months. The entire freight traffic amounted to 29,924,119 tons, a decrease of 2,443,677 tons, or 7.55 per cent. The number of tons carried one mile was 5,218,751,555, a decrease of 593,633,362 ton miles, or 10.21 per cent. The average haul was 174.40 miles, a decrease of 5.17 miles, or 2.88 per cent. The average revenue per ton was 112.01 cents, as compared with 113.46 cents last year, a decrease of 1.45 cents, or 1.28 per cent. Company's freight, not included in the above, amounted to 3,135,755 tons, a decrease of 186,286 tons, or 5.61 per cent. The total freight-train mileage was 8,768,300 miles, a decrease of 935,011 miles, or 9.64 per cent. The revenue received per freight-train mile was \$3.82, an increase of \$0.04, or 1.06 per cent. The average train load of revenue freight was 595.18 tons, a decrease of 3.83 tons, or .64 per cent. Including Company's freight, the average train load was 617.13 tons, a decrease of 3.58 tons, or .58 per cent.

PASSENGER.—The earnings from passenger traffic amounted to \$4,795,147.44, a decrease of \$72,406.59, or 1.49 per cent., compared with the preceding year. The total number of passengers carried was 5,729,042, an increase of 210,518, or 3.81 per cent. The number of passengers carried one mile decreased 6,353,172, or 2.34 per cent. The average revenue per passenger was 83.70 cents, a decrease of 4.50 cents, or 5.10 per cent. The average revenue per passenger per mile was 1.807 cents, an increase of .015 cent., or .84 per cent. The average distance travelled by each passenger was 46.31 miles, a decrease of 2.92 miles, or 5.93 per cent. Passenger-train mileage was 4,340,095, a decrease of 150,918 miles, or 3.36 per cent., as compared with a decrease in this revenue of 1.49 per cent. The average revenue from passengers per passenger-train mile was 110.48 cents, an increase of 2.10 cents, or 1.94 per cent.

MAIL.—The sum of \$195,052.87 was received from the Federal Government for the transportation of United States mails, an increase of \$3,231.76.

EXPRESS.—The revenue from this class of business amounted to \$443,971.75, a decrease of \$62,219.36.

OTHER TRANSPORTATION.—The earnings derived from transportation other than shown under the preceding headings were \$478,453.44, an increase of \$62,721.73.

MISCELLANEOUS.—Miscellaneous revenue amounted to \$351,570.99, an increase of \$14,635.12.

OPERATING EXPENSES.

MAINTENANCE OF WAY.—The expenditures for maintenance of way and structures amounted to \$4,575,061.96, a decrease of \$1,119,360.28, or 19.66 per cent., as compared with the preceding year. Seven steel bridges, one concrete-steel bridge, and seven steel reinforced concrete culverts were built in connection with additional track construction. Eighteen steel bridges and six concrete-steel bridges were placed in the track, replacing light iron or wooden bridges, and seven iron bridges were strengthened. Seven bridges were replaced by pipe culverts and three iron bridges were abandoned and the openings filled. One steel highway bridge with concrete floor was built to eliminate a grade crossing, one wooden highway bridge was replaced by a steel structure, and one iron highway bridge was replaced by a new steel bridge with concrete floor. One arch culvert was extended for two additional tracks and another was filled up and abandoned. 4,203 tons of 110-pound rail, 21,440 tons of 100-pound rail, and 31 tons of 90-rail, together with necessary frogs, switches, &c., were placed in the track. 1,146,583 e plates and 238,649 anti-rail creepers were used. 809,663 cross ties, 2,323,285 feet B.M. switch ties, 615,754 feet B.M. bridge ties, and lumber amounting to 4,139,088 feet B.M. were used. 537,952 of the cross ties, 1,882,832 feet B.M. of switch ties, and 560,112 feet B.M. of bridge ties were treated with creosote. 40,761 cubic yards of crushed stone were used in ballasting track. 40,512 feet of drain tile were placed in the roadbed. 1,630.47 miles of copper and 148.76 miles of iron wire were used in extending and renewing the telephone, telegraph and signal wires on the system.

MAINTENANCE OF EQUIPMENT.—The sum of \$7,011,946.34 was expended for the maintenance of equipment, a decrease of \$549,324.53, or 7.26 per cent., as compared with the preceding twelve months. Included therein is a charge of \$1,234,729.16 for the depreciation of equipment, as called for by the accounting requirements of the Inter-State Commerce Commission. Sixteen worn-out locomotives, one combined passenger and baggage car, one express car, 730 freight equipment cars, and 42 road service cars were condemned and either sold or destroyed during the year and their value written off the books by appropriate charges through operating expenses. Three library buffet cars were converted into combined passenger and baggage cars, one baggage and express car into a combined baggage and mail car, three passenger coaches and one combined passenger and baggage car into workmen's cars, and 169 produce cars into ice cars. Three combined passenger and baggage cars were transferred to caboose service and 140 freight equipment cars to road service. One light passenger engine has been converted into an inspection engine. Seventy-six locomotives have been equipped with additional air pumps and 52 with bull's-eye lubricators, replacing old tubular lubricators, to meet the requirements of the Inter-State Commerce Commission. 1,044 locomotives received heavy and general repairs. 411 passenger equipment cars received heavy repairs, 252 were painted and varnished and 36 equipped with electric lighting apparatus. Two dining cars, 12 wooden coaches, and one milk car were equipped with steel underframes. Steel underframes were applied to 1,779 wooden freight and coal cars, making a total of 12,372 cars so equipped during the last six years. 9,643 freight equipment cars, 154 passenger equipment cars, and 39 road service cars were equipped with safety appliances to conform to the requirements of the Inter-State Commerce Commission. 261 steel coal cars and high-side gondolas, of 100,000 lb. capacity each, were equipped with solid steel wheels. 27,480 freight equipment cars received heavy and general repairs. The total number of locomotives on hand at the close of the year was 947 with a tractive power of 30,231,790 lb. The total number of freight equipment cars was 46,080 with a capacity of 1,710,000 tons.

TRAFFIC EXPENSES.—The expenditures under this heading amounted to \$1,002,872.11, an increase of \$20,014.45, as compared with the preceding twelve months.

TRANSPORTATION EXPENSES.—The cost of conducting transportation was \$14,071,182.70, an increase of \$77,565.35, or .55 per cent., over the preceding year. The ratio of transportation expenses to total operating revenues was 35.37 per cent., as compared with 32.51 per cent. last year, an increase of 2.86 per cent.

GENERAL EXPENSES.—This class of expenses amounted to \$948,098.72, or 2.38 per cent. of the total operating revenues. The increase of \$72,447.27, as compared with the preceding year, is due almost entirely to the expenses incurred in valuing the Company's property.

TAXES.—The taxes accrued on your property, capital and business during the year amounted to \$1,691,241.47, an increase \$82,090.08 over the preceding year.

ADDITIONS AND BETTERMENTS.

There was expended during the year, for the acquisition of new property and for the improvement and development of existing property, the sum of \$7,647,524.25, which was charged to additions and betterments. A statement of these expenditures, classified as required by the Inter-State Commerce Commission, appears on page 46 of Pamphlet Report. The more important expenditures are here specifically referred to:—

The new equipment purchased and added to the property during the year is as follows:—Thirty-eight freight locomotives, seven passenger locomotives, 15 switching locomotives, seven locomotive tenders, 35 steel passenger coaches, 1,000 80,000-lb. steel underframe box cars, 2,000 100,000-lb. steel coal cars, 26 100,000-lb. flat cars, three steel well cars of 220,000 lb. capacity each, 100 eight-wheel cabooses, two locomotive cranes, and one 120-ton steam derrick. A portion of this equipment is covered by the equipment trusts mentioned in detail under the heading "Financial."

In addition to the foregoing, orders have been placed for three passenger locomotives, 10 switching locomotives, 30 steel passenger coaches, 10 steel smoking cars, 25 steel baggage cars, 25 80,000-lb. flat cars, and 24 100,000-lb. flat cars.

Construction work in connection with the passenger and freight terminals at Buffalo is being advanced as rapidly as possible.

The extension of the Seneca Falls Branch for a distance of 5.7 miles to a connection with the New York Central and Hudson River Railroad, the rebuilding of the Cayuga Branch and the installation of the necessary "Y" connection with the Auburn and Ithaca Branch at Cayuga Junction, were completed and the line placed in operation on July 1, 1914. These improvements, together with trackage rights over the New York Central and Hudson River Railroad for a distance of 2.2 miles, mentioned in the preceding annual report, will shorten the haul from Auburn and points north to Geneva and points west by 55.2 miles.

The third track from Pittsburgh and Lehigh Junction to North LeRoy, a distance of 4.98 miles, referred to in the last annual report, was completed, making a continuous third track system of 12.07 miles on an ascending grade between the former point and Stafford. This improvement will greatly facilitate the movement of freight trains.

The excavation of the rock cut and the building of the necessary concrete retaining walls to provide room for the construction of a switching lead from Florence Yard, mentioned in the preceding annual report, have been completed and the construction of the track will be undertaken shortly. An additional switching lead and tracks for cripple cars were constructed at Richards. The yards at Plainsville, Delano, and South Plainfield were enlarged, resulting in increased capacities of 205, 93, and 80 cars respectively, and the yard for the interchange of business with the New York Central and Hudson River Railroad at Sterling was rearranged and the capacity slightly increased. The yard tracks at Ithaca were moved to a new location, the land on which they formerly laid having been transferred to the State of New York for barge canal purposes.

Hollow tile and concrete structures were erected as follows: A passenger and freight station at Gorham, a passenger station at Lehigh, a freight house at East 22nd Street, Bayonne, and a tool and bunk house at Vosburg.

An air-testing plant was installed in the Claremont Yard, Jersey City, and air compressors were placed in the engine-house at Lehigh and the machine shop at Hazleton. A new air compressor with necessary extensions of the pipe lines, and an electric generator for lighting the buildings and yard, were installed at Delano. A 30-ton electric derrick was erected at Easton.

Eighteen gasoline motor cars were purchased for use of section, bridge, signal, and telegraph gangs, making a total of 99 now in service.

Two 40,000-gallon standard steel water-tanks were erected at the Lehigh engine-house, replacing one wooden tank, and a new 50,000-gallon wooden tank on concrete foundation was erected at Richford. A brick addition is being made to the pump-house at Manchester, and new large-capacity steam pumps with boilers are being installed. Owing to the recurring shortage of water on the Mountain Cut-off during the summer season, an emergency pumping system was installed in connection with the Gardner's Run water station, drawing water from another source. Extensive improvements are being made in connection with the water supply at Lehigh and Packerton, comprising the construction of a reservoir of 5,000,000 gallons capacity on Beaver Run and a dam across Mahoning Creek, together with electric pumping machinery and necessary pipe lines, which will afford an independent and ample supply of water for the locomotives and shops at those points.

Mechanical interlocking plants were installed at the coal docks at Perth Amboy and at the ends of the third and fourth tracks west of Flagtown. A complete revision of the interlocking at Pittsburgh and Lehigh Junction was made in connection with the third-track work in that vicinity. Improvements were made to the interlocking plants at East Penn Junction, Packerton, Black Creek Junction, Hazle Creek Junction, Pittston Junction, and Tift Farm Junction.

The Lehigh and Lake Erie and Ithaca Branches have been completely equipped with three-position upper-quadrant automatic acetylene-gas-lighted signals, and the new third track from Pittsburgh and Lehigh Junction to North LeRoy with two-position lower-quadrant automatic signals. The automatic disc signals between Slatington and Phillipsburg have been replaced by three-position upper-quadrant signals, acetylene-gas-lighted, and the automatic disc signals between Athens and Laceyville have been replaced by two-position lower-quadrant signals. Mechanical signals were installed at Gerhard's, Stewarts and Quakake to protect crossovers at those points. Controlled absolute electric block signals were placed at New Boston Junction, and manual absolute block signals were installed at Mt. Carmel.

FINANCIAL.

To provide cash funds for the retirement of \$2,000,000 Elmira, Cortland and Northern Railroad Company Five and Six per Cent. Bonds which matured April 1, 1914, the purchase of additional equipment and the prosecution of needed improvements to the property, your Company issued, under its General Consolidated Mortgage dated September 30, 1903, \$10,000,000 Four and One-Half per Cent. Gold Bonds, maturing May 1, 2003, which were sold, and the proceeds used or will be used for the purpose stated. The mortgage in question provides for the issuance of bonds bearing interest at such rate as the Company may from time to time determine, up to but not exceeding 5 per cent. per annum. Although previous issues of bonds under that mortgage have been at the interest rate of 4 per cent., after careful reflection by the Board of Directors it was deemed advisable to have the above issue bear interest at the rate of 4½ per cent. per annum, in view of the existing condition of the market for railroad securities.

These \$10,000,000 bonds represent the only new capital obligations issued and sold by your Company to provide it with funds for capital expenditures since the sale to stockholders, in 1910, of 403,338 shares of capital stock at par, which produced funds of \$20,166,900. Since then—viz., July 1, 1910—the Company has made capital expenditures (referred to in the yearly reports) for the retirement of obligations in the hands of the public, acquisition of new property, and improvements to existing property as follows:—

Securities in Hands of Public Retired—			
Bonds:			
Lehigh Valley R.R. Co. 2nd Mtge. 7% ..	\$6,000,000	00	
Lehigh Valley R.R. Co. Collateral Trust 4% (matured) ..	4,000,000	00	
Lehigh Valley R.R. Co. Collateral Trust 4% (purchased) ..	1,253,592	89	
Elmira, Cortland & Northern R.R. Co. 1st Mtge. Preferred 6% ..	750,000	00	
Elmira, Cortland & Northern R.R. Co. 1st Mtge. 5% ..	1,250,000	00	
Equipment Trust, Series J, Certs. 4½% ..	2,000,000	00	
			\$15,253,592 89
Capital Stock Guaranteed by Lehigh Valley R.R. Co.:			
Morris Canal & Banking Co. Preferred 10% ..	\$1,476,917	65	
Morris Canal & Banking Co. Consolidated 4% ..	472,027	13	
			1,948,944 77
Real Estate Mortgage ..			113,000 00
Expenditures for Property—			
Construction Hays Creek and Buck Mountain Branches ..			1,069,889 74
New property and additions and betterments chargeable to Capital Accounts of Lehigh Valley R.R. and subsidiary companies ..			9,911,766 73
Rolling Stock and floating equipment ..			12,028,267 86
			\$40,329,461 99
Total, July 1, 1910, to June 30, 1914, inclusive ..			20,166,900 00
Proceeds of increase in capital stock in 1910 ..			
Balance ..			\$20,162,561 99

From the foregoing it will be observed that up to the close of the present fiscal year the Company has expended \$20,162,561.99 in excess of the funds raised by the increase in the capital stock. That portion of the funds representing this balance, not derived from the sale of the \$10,000,000 of bonds referred to, has been provided out of the cash resources of the Company.

The following capital obligations of your Company matured and were retired during the year:—

Description—	Interest Rate	Maturity	Amount
Collateral Trust Bonds ..	4 %	Feb. & Aug.	\$1,000,000
Equipment Trust, Series I, Certificates ..	4 %	September	400,000
Equipment Trust, Series J, Certificates ..	4½ %	Mar. & Sept.	500,000
Equipment Trust, Series K, Certificates ..	4 %	Mar. & Sept.	300,000
Elmira, Cortland & Nor. R.R. Co. Bonds:			
First Mortgage, Preferred ..	6 %	April	750,000
First Mortgage ..	5 %	April	1,250,000
Total ..			\$4,200,000

An Equipment Trust, designated Series L, was created during the year, under which were issued \$2,400,000 Four and One-Half per Cent. Certificates, maturing in semi-annual instalments April 1 and October 1 each year, the final maturity being October 1, 1919. \$200,000 matured April 1, and the remainder, \$2,200,000, have been placed in the

treasury, and are available for sale or other disposition as occasion may require. This trust is a lien upon 1,000 self-clearing double-hopper steel coal cars of 100,000 pounds capacity each, 1,000 steel underframe box cars of 80,000 pounds capacity each, and 25 freight locomotives.

An additional Equipment Trust, known as Series M, covering the issue of \$1,800,000 Four-and-One-Half per cent. Certificates, was also authorised and will be a lien upon 1,000 self-clearing double-hopper steel coal cars of 100,000 lb. capacity each, 65 steel passenger coaches, 25 steel baggage and express and 10 steel smoking cars. This equipment is now under construction, and delivery will be completed in the near future, at which time the certificates will be executed and placed in the treasury. These certificates will mature in annual instalments of \$200,000 on March 1 each year, commencing March 1, 1915, the last instalment falling due March 1, 1923.

The advances made by the Lehigh Valley Railroad Company to subsidiary companies, of which it owns the entire capital stock, were reimbursed by the issuance of Fifty-Year Five per Cent. Gold Debentures, as follows:—

The Lehigh Valley Rail Way Company	...	...	...	\$3,000,000
Lehigh Valley Railroad Company of New Jersey	...	...	...	275,000
Lehigh Valley Transportation Company	...	...	...	175,000
Pennsylvania & New York Canal & Railroad Company	...	...	...	135,000
National Storage Company	...	...	...	35,000
Easton & Northern Railroad Company	...	...	...	18,000
Montrose Railroad Company	...	...	...	3,000

These securities, with the exception of those issued by the Montrose Railroad Company, which are in your treasury, have been deposited with the Trustee as required by the terms of the General Consolidated Mortgage. Included in the advances to the Lehigh Valley Rail Way Company, for which \$3,000,000 of Debentures as above were received, is the sum of \$2,000,000 which was used to retire a like amount of Bonds of the Elmira, Cortland and Northern Railroad Company which matured April 1, 1914, that Company having been merged with the Lehigh Valley Rail Way Company in February 1905.

There have also been received and placed in the treasury of your Company \$50,000 Wyoming Valley Water Supply Company First Mortgage Five per Cent. Bonds, in reimbursement of advances made to that Company for capital expenditures.

The account "Advances to Subsidiary Real Estate Companies" shows an increase of \$117,020.74 over the preceding year, due to additional real estate acquired for terminal and other improvements.

The charter of the Penn Haven Junction and Glen Onoko Railroad Company, organised in 1902 to project a branch line from Penn Haven Junction to Glen Onoko, was allowed to lapse, as there was no further necessity for maintaining that Corporation. The nominal amount of capital stock issued has been written off the books.

In accordance with the practice in preceding years, the book value of the capital stock of Coxe Brothers and Co., Incorporated, has been reduced by the sum of \$1,000,000, profit and loss having been charged with that amount.

Materials and supplies on hand at the close of the year amounted to \$3,373,260.78, a decrease of \$492,084.99.

Working assets are \$33,077,353.61 in excess of working liabilities.

Semi-annual dividends of five per cent. each on the Preferred and Common Capital stocks of the Company were declared in December 1913, payable in January 1914, and quarterly dividends of two and one-half per cent. each were declared in March and June 1914, payable in April and July 1914 respectively.

GENERAL REMARKS.

The Company has experienced a sharp decline in its earnings for the year under review from practically all sources of revenue as a result of the general business depression throughout the country. In addition, the earnings from the transportation of anthracite coal have been adversely affected by dull trade conditions in that commodity incident to the exceptionally mild winter, particularly in the North-west. Some reduction was effected in the operating expenses, but with the high rates of wages paid and the high prices of all commodities required in railroad operation it was impossible to reduce expenses proportionately to the falling off in earnings. The increase due to compliance with the so-called Full Crew Laws of the States through which your Company's lines pass and the increases granted labour amounted to approximately \$375,000 for the year. All work not immediately necessary for safety and economy of operation or to maintain the property in its usual high state of efficiency, together with such improvements and extensions as could be deferred, has, of course, been suspended until general business improves.

In order to establish a closer relationship in the operation of the Lehigh Valley Railroad Company of New Jersey, which is owned by your Company, it was deemed advisable to effect a lease of the property and appurtenances of the New Jersey Company. Accordingly, by proper action of both Companies, and with the approval of the Board of Public Utility Commissioners of New Jersey, a lease has been consummated for a term of 99 years from July 1, 1914, the

consideration being the cost of maintenance, taxes, the payment of interest on all bonded and other indebtedness, and providing also for reimbursement, by the issue of securities to your Company, for amounts expended for additions and betterments to the property.

The Lehigh Valley Transportation Company, the entire capital stock of which is owned by your Company, has fully maintained its floating equipment, and has, in fact, added to the same during the year. The inventory of equipment on page 48 of Pamphlet Report shows in detail the floating equipment used by your Company and its affiliated companies.

Thus far the Legislature of the State of New Jersey has failed to pass any Bill which would relieve the Company from the necessity of operating the Morris Canal and settle the various matters in dispute with the State, although every effort has been made in that direction by your Company. Further efforts to bring about a satisfactory adjustment of the points at issue are being made.

Your Company entered into a contract with the American Express Company covering the handling of express business over your lines beginning July 1, 1914, the United States Express Company, which formerly handled this business, having served notice terminating its contract with your Company, effective June 30, 1914.

A loss of \$199,598.04 for the year was experienced in the operation of the Lehigh and New York Railroad under the lease made in 1895.

Fifty-nine new industries were located on the system during the year, of which 49 have direct track connections with your Company's lines.

The total payments direct to labour for the year amounted to \$17,120,151.82, or 56.30 per cent. of the total operating expenses, including outside operations, the same having been distributed among an average of 22,017 employees.

Your Company contributed \$59,677.13 to its Employees' Relief Fund.

E. B. THOMAS, President.

COMPARATIVE INCOME ACCOUNT for the Years ended June 30, 1914 and 1913.

	1914.	1913.	Inc. or Dec.
Operating Revenues—	\$	\$	\$
Coal freight rev. ...	18,492,683 35	20,385,389 09	—1,892,705 74
Merch. freight rev. ...	15,096,684 11	16,339,748 87	—1,313,064 86
Passenger rev. ...	4,795,147 44	4,897,554 03	—72,406 59
Mail rev. ...	195,052 87	191,821 11	+ 3,231 76
Express rev. ...	443,971 75	506,191 11	—62,219 36
Other trans. rev. ...	478,453 44	415,731 71	+ 62,721 73
Miscellaneous rev. ...	351,570 99	336,935 87	+ 14,635 12
Total oper. rev. ...	39,783,563 95	43,043,371 89	—3,259,807 94
Operating Expenses—			
Maintenance of way, &c. ...	4,575,061 96	5,694,422 24	—1,119,360 28
Maint. of equip. ...	7,011,916 34	7,561,270 87	—549,354 53
Traffic expenses ...	1,002,872 11	982,857 66	+ 20,014 45
Trans. expenses ...	14,071,182 70	13,993,617 35	+ 77,565 35
General expenses ...	948,098 72	875,651 45	+ 72,447 27
Total oper. expenses	27,609,161 83	29,107,819 57	—1,498,657 74
Ratio of oper. expenses to oper. revs. ...	69.40%	67.62%	+ 1.78%
Net operating rev. ...	12,174,402 12	13,935,552 32	—1,761,150 20
Outside operations, Net	*280,244 11	*280,210 32	— 33 79
Total net revenue ...	11,894,158 01	13,655,342 00	—1,761,183 99
Railway tax accruals ...	1,549,895 38	1,447,205 04	+ 102,690 34
Operating Income ...	10,344,262 63	12,208,136 96	—1,863,874 33
Other Income—			
Hire of equip. balance ...	327,655 51	286,732 93	+ 40,922 58
Joint facility rent ...	402,957 70	416,543 34	— 13,585 64
Dividend income ...	†1,241,034 58	666,123 10	+ 574,911 48
Funded securities ...	423,060 00	382,314 16	+ 40,745 84
Miscellaneous income ...	469,564 64	552,041 07	— 82,476 43
Total other income	2,864,272 43	2,303,754 60	+ 560,517 83
Total income ...	13,208,535 06	14,511,891 56	—1,303,356 50
Deductions from Income—			
Int. for funded debt ...	3,308,428 49	3,127,360 15	+ 181,068 34
Lease of other roads ...	2,212,420 00	2,239,295 00	— 26,875 00
Joint facility rent ...	210,322 40	167,062 33	+ 43,260 07
Misc. tax accruals ...	141,346 09	161,946 35	— 20,600 26
Misc. deductions ...	279,358 39	54,399 51	+ 224,958 88
Total deductions ...	6,151,875 37	5,750,063 34	+ 401,812 03
Net income ...	7,056,659 69	8,761,828 22	—1,705,168 53

* Deduct. (†) Includes dividend of \$635,030 00 on stock of Temple Iron Co.

PROFIT AND LOSS ACCOUNT, Year ended June 30, 1914.

CR.	
Balance, July 1, 1913	\$25,066,231 42
Net income for year ended June 30, 1914	7,056,859 69
	32,122,891 11
DR.	
Reduction of book value of capital stock of Coxe Bros. & Co., Inc.	\$1,000,000 00
Discount on general consolidated mortgage bonds sold	1,000,000 00
Property abandoned	78,492 83
Miscellaneous adjustments	84,914 53
Dividends: 5 per cent. on preferred stock, paid Jan. 10, 1914, \$3,315.00; 5 per cent. on common stock, paid Jan. 10, 1914, \$3,025,085.00; 2½ per cent. on preferred stock, paid April 11, 1914, \$2,657.50; 2½ per cent. on common stock, paid April 11, 1914, \$1,512,542.50; 2½ per cent. on preferred stock due July 11, 1914, \$2,657.50; 2½ per cent. on common stock, due July 11, 1914, \$1,512,542.50	6,060,800 00
Balance, June 30, 1914	23,898,683 75
	32,122,891 11
Balance brought forward, July 1, 1914	\$23,898,683 75

CONDENSED GENERAL BALANCE SHEET, June 30, 1914.

DR. ASSETS.	
Real Estate and Equipment: Investment to June 30, 1907, \$54,365,714.13; investment since June 30, 1907, \$24,065,602.97	\$78,431,317 10
Less reserve for accrued depreciation	7,167,663 18
	\$71,263,753 92
Securities: Securities of proprietary, affiliated and controlled companies—pledged, \$35,717,451.58; ditto, unpledged, \$3,978,432.83	89,695,884 41
Other Investments: Advances to proprietary, affiliated, and controlled companies for construction, equipment and betterments, \$211,036.79; real estate, \$479,785.99; advances to subsidiary real estate companies, \$3,325,381.40; Securities—pledged, \$26,911,855.93; Securities—unpledged, \$8,424,332.93	39,352,393 04
Working Assets: Cash, \$11,020,820.79; securities loaned or assumed—held in treasury, \$18,711,000.00; marketable securities, \$325,000.00; traffic and car-service balances due from other companies, \$198,666.03; net balance due from agents and conductors, \$804,100.06; miscellaneous accounts receivable, \$2,556,828.63; materials and supplies, \$3,873,260.78; other working assets, \$163,763.03	37,151,939 32
Accrued Income not Due: Unmatured interest, dividends and rents receivable	233,149 97
Deferred Debit Items: Advances, \$1,116,597.55; rents and insurance paid in advance, \$147,007.58; other deferred debit items, \$1,345,342.09	2,608,948 12
Total Assets	\$190,306,068 78

CR. LIABILITIES.	
Capital Stock:—1,210,031 shares common stock, par \$50, \$60,501,700.00; 2,126 shares preferred stock, par \$50, \$106,300.00	\$60,608,000 00
*Funded Debt:—Mortgage bonds, \$77,639,000.00; collateral trust bonds, \$12,000,000.00; Equipment trust obligations, \$6,200,000.00; mortgages on real estate, \$1,662.18	95,840,662 18
Working Liabilities:—Traffic and car-service balances due to other companies, \$29,681.68; audited vouchers and wages unpaid, \$2,985,982.72; misc. accounts payable, \$182,702.14; matured interest, dividends and rents unpaid, \$113,396.75; other working liabilities, \$162,822.35	4,074,585 71
Accrued Liabilities not Due: Unmatured interest and rents payable, \$233,041.33; dividends declared June 17, due July 11, 1914, \$1,515,200.00; taxes accrued, \$505,778.60	2,954,019 23
Deferred Credit Items: Other deferred credit items	2,930,110 21
Profit and Loss	23,828,663 75
Total Liabilities	\$190,306,068 78

* \$18,711,000.00 held in the treasury of the Company.

LEHIGH VALLEY COAL COMPANY.

REPORT OF OPERATIONS FOR FISCAL YEAR ENDED JUNE 30, 1914.

PHILADELPHIA, August 12, 1914.

The annual report of the operations conducted by the Lehigh Valley Coal Company for the fiscal year ended June 30, 1914, and statements indicating its financial condition at the close of the year, are herewith submitted.

The total net income of the Company from all sources, after deducting charges for royalties, sinking funds, depreciation of the property and interest on the funded debt, amounted to \$564,859.44, a decrease of \$906,415.43 as compared with the preceding year. The shrinkage in the net earnings of the Company is due almost entirely to the restricted demand for anthracite coal as a result of the mild winter. This not only reduced the profits by reason of the smaller volume of business done, but also added materially to the cost per ton of mining such coal as was shipped. The production of anthracite coal from the lands owned and leased by the Lehigh Valley Coal Company, including that mined by tenants, was 7,877,390 gross tons, a decrease of 982,642 tons. The percentage of sizes above pea produced by the mining operations of the Company was 66.46 per cent., a decrease of 2.22 per cent. The number of breaker hours worked was 41,218, a decrease of 5,796 hours. Mining operations conducted on the Snow Shoe lands, located in Centre County, Pennsylvania, produced 252,731 gross tons of bituminous coal, a decrease of 97,373 tons. Ample expenditures have been made to fully maintain the property of your Company. Additions and betterments amounting to the sum of \$344,785 were made during the year. The new breaker at Franklin Colliery, referred to in the last annual report, has been completed and is now in successful operation. In connection therewith certain improvements have been made in outside operating conditions to minimise the danger of fire. Additions have been made to the pumping plants at Prospect and Dorrance Collieries and certain changes and improvements effected in the methods to enable the flowing of silt into the mines. These expenditures were necessary to comply with legislative enactments regarding the pollution of streams in that vicinity. In order to provide for additional pumping at Exeter Colliery, a substantial addition has been made to the steam plant by the installation of high-pressure boilers to replace old-fashioned return tubular boilers installed many years ago. The boiler plant at Heidelberg Colliery has also been renewed and improved. The developments at Park Colliery have been continued throughout the year in order to place the colliery on a better operating basis, and conditions are now becoming more satisfactory. The unwatering of the old workings at the western end of the property, so that mining can be undertaken in that territory, is under way. Extensive renewals and improvements to Centralia Breaker have been made during the year in order to maintain its efficiency and modernise its methods. The erection of the washery at Springdale for the purpose of re-working the culm banks on the Delano lands has been completed and it is now in operation. The shaft at Blackwood Colliery has been sunk, so that mining can be conducted on a lower level, and, upon the completion of the necessary tunnels and gangways, operating conditions at that colliery will be improved. At all collieries very considerable sums have been expended to reduce the fire risks and safeguard the lives of employes. The prospecting done on the Snow Shoe property has demonstrated that there is sufficient coal in the lower or "A" vein to warrant the construction of a plant to mine the same. Accordingly an expenditure was authorised to carry on the necessary construction work and the same is now under way. The leases with the Girard Estate, under which your Company has for many years been conducting operations at the Packer and Continental Collieries expired by limitation December 31, 1913. After protracted negotiations a renewal was effected for a further period of 15 years—the maximum term that could be obtained—but at higher rates of royalty than those paid heretofore. Owing to the uncertainty with respect to the renewal of these leases various contemplated

improvements and development work on the property had been held in abeyance until the question of renewal was definitely settled. As soon as the new leases were executed expenditures were authorised, and work is now under way for the construction of a new steel fireproof breaker at Packer No. 5 Colliery and extensive alterations and betterments at Packer No. 4. Many important underground developments and mining improvements are also being prosecuted. These expenditures will place the operations at the Packer Collieries on the most scientific and economical basis possible, and are the more necessary because of the high rates of royalty which the Company is required to pay under the new leases. The general offices of the Company have for a long time been located in rented quarters in the City of Wilkes-Barre, an arrangement which of late years has been very unsatisfactory because of the growth of the Company. The space occupied was utterly inadequate, and failed to provide proper facilities for the storage of the very valuable maps and records and prevent their destruction in case of fire. The Company has, therefore, erected a modern office building, of fireproof construction, on North River Street, Wilkes-Barre, with sufficient space not only for its present needs but also for future requirements. The building was completed and occupied before the close of the fiscal year. The tax assessments upon the property and business of your Company increased very heavily in recent years. The taxes for the fiscal year under review are approximately 25 per cent. greater than the preceding year. This does not include the special tax levied by the State of Pennsylvania of 2½ per cent. of the value of the coal mined. The question of the constitutionality of the law imposing this tax is now before the courts for determination. The Company has issued no new capital obligations during the year. In fact, the obligations appearing on the balance sheet as "Deferred Real Estate Payments," representing short-term notes given for the purchase of property in prior years, have been reduced by the sum of \$100,000. Payments, amounting to \$111,136, were made to the sinking funds of the various mortgages on the Company's property. Current Assets are \$2,543,103 in excess of Current Liabilities.

F. M. CHASE, Vice-President and General Manager.

CONDENSED GENERAL BALANCE SHEET, June 30, 1914.

DR. ASSETS.	
Property and Plant	\$24,580,588 30
Securities Owned	200,000 00
Advances for Coal Mining Rights	4,479,460 60
Sinking Funds in Hands of Trustees	2,758,522 88
Insurance Fund	122,188 41
Current Assets:—Cash on deposit, \$2,302,050.72; Materials and supplies, \$323,053.90; Notes receivable, \$4,340.00; Due from individuals and companies, \$2,421,815.17	5,051,329 79
Deferred and Suspended Assets	156,822 53
Total Assets	\$37,348,342 56
CR. LIABILITIES.	
Capital Stock	\$1,965,000 00
Funded Debt	20,296,000 00
Current Liabilities:—Audited vouchers, \$345,649.55; Wages due and unpaid, \$533,846.53; Due to individuals and companies, \$22,392.13; Royalties on coal mined, due lessors, \$69,907.16; Interest on funded debt, due July 1, 1914, \$13,900.00; Interest on funded debt, accrued, not due, \$100,000.00; Interest due on funded debt, unclaimed, \$5,060.00; Taxes due and accrued, \$618,401.03	2,508,156 43
Deferred and Suspended Liabilities:—Royalties in dispute and suspended, \$21,587.97; Deferred real estate payments, \$700,000.00; Miscellaneous \$187,340.29	908,928 26
Reserve Accounts:—Depreciation and other reserves	7,443,072 59
Profit and Loss	4,225,685 28
Total Liabilities	\$37,348,342 56

PROFIT AND LOSS ACCOUNT, Year ended June 30, 1914.

DR. CR.	
Credit balance, July 1, 1913	\$3,714,239 01
Net income for year ended June 30, 1914	564,859 44
Miscellaneous adjustments	53,413 17
Balance, June 30, 1914	4,225,685 28
	\$4,279,098 45
Credit balance brought forward, July 1, 1914	\$4,225,685 28



No. 197

TAKE YOUR PLEASURE AS USUAL

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The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

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Authorised Capital—	
Subscribed	£4,500,000
Unlapsed	500,000
	£5,000,000
Capital Issued and Paid up	£2,250,000
Reserve Fund	1,560,000
Unlapsed Liability of Shareholders	2,250,000
Total responsibility for Creditors	£6,060,000

Head Office: OLD BROAD STREET, LONDON, E.C.
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7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000	
Shares of £20 each	£2,500,000
PAID-UP CAPITAL.....	1,250,000
RESERVE FUND.....	1,400,000

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 July 29, 1861.

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 AUTHORISED CAPITAL ... £5,500,000.

SUBSCRIBED CAPITAL:

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75,000 "A" Preference Shares of	
£6 13s. 4d., Issued to New Zealand	500,000
Government	
150,000 Ordinary Shares at £5 13s. 4d.	500,000
Paid up, £3 6s. 8d. per share	
Unlapsed, £3 6s. 8d. per share	500,000
Reserve Fund and Undivided Profits	1,601,608

Negotiates and collects Bills of Exchange.
 GRANTS DRAFTS on all its Offices in New
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Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

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SUBSCRIBED CAPITAL.....£1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.

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 3.—The vitiated air he must inhale.
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Capital Paid up - \$11,560,000
Reserve Funds - \$13,570,000
Aggregate Assets - \$180,000,000

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Authorised Capital, £1,000,000. Subscribed Capital, £625,000.
Paid-up Capital £500,000
Reserve Fund 510,000
£1,010,000
Uncalled Capital 125,000
Reserve Liability of Shareholders 625,000
£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cable.

Deposits received for fixed periods at rates to
be ascertained on application.

PERCY ARNOLD, Manager.

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Subscribed Capital £1,500,000
Called up £600,000
Reserve Fund £55,000
Reserve Liability of Shareholders £900,000

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Paid-up Capital 688,722 10 0
Uncalled, including Reserve Liability 608,425 0 0
Reserve Fund and Undivided Profits 295,071 11 2

Remittances made by Cable. Drafts, Letters of
Credit and Circular Notes issued upon Branches and
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Subscribed Capital £1,078,875 0 0
Paid-up Capital 539,437 10 0
Further Liability of Proprietors 539,437 10 0
Reserve Fund 300,000 0 0

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E. M. JANION, Manager.

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LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up-Capital, £3,500,000
Reserve Fund, 2,450,000
Reserve Liability of Proprietors, 3,500,000
£9,450,000

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of Australasian banking business.
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HEAD OFFICE—LONDON.

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SUBSCRIBED CAPITAL 2,250,000
PAID-UP CAPITAL 750,000
RESERVE FUND 685,000
UNCALLED CAPITAL 1,500,000
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Lahore Aden Point Kisumu
Amritsar Colombo Entebbe
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Tatcorin Jinja

SUBSCRIBED CAPITAL £2,300,000
PAID-UP CAPITAL £1,300,000
RESERVE FUND £1,100,000

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Capital Paid Up 562,500
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Reserve Liability of Shareholders 40,000,000

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PAID-UP CAPITAL.....£1,548,525

RESERVE FUND.....2,000,000

UNCALLED CAPITAL.....4,645,575

£8,194,100

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Robert E. Dickinson, Esq. Rt. Hon. Lord Sydenham, G.O.M.G., G.C.S.I., G.C.I.E.

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EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms. DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT AND DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE AND SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC. received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

WILLIAM SMART, London Manager.

NATIONAL BANK OF TURKEY.

Subscribed Capital... .. £1,000,000

Paid up 250,000

President:

Sir HENRY BABINGTON SMITH, K.O.B., C.B.L.

Head Office: CONSTANTINOPLE.

Manager: H. P. KINGHAM.

London Committee:

THE HON. SIDNEY PERL, Chairman.

The Hon. Hugo Baring, O.S. Oulbenkian, Esq.

H. Birchenough, Esq., O.M.G. R. H. Macaulay, Esq.

K. N. Meyer, Esq.

London Agency... .. 60 CORNHILL, E.C.

Manager, R. HECHT.

General Banking Business Transacted.

BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund £P.300,000

BRANCHES IN:

Plaza, Callao, Mollendo,

Chilayo, Cerro de Pasco, Arequipa,

Pacasmayo, Chincha Alta, Cuzco,

Trujillo, Ica, Iquitos,

Huancayo, Huancayo, Huacabo.

Letters of Credit, Drafts and Cable Transfers, issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

NATIONAL BANK OF EGYPT.

(Established by Khedival Decree, June 1898,

with the exclusive right to issue

Notes payable at sight to bearer.)

Capital, £3,000,000 (in 300,000 Shares of £10 each,

fully paid). Reserve Fund, £1,500,000.

Governor—F. T. Rowlett, Esq. Head Office—Cairo.

London Committee—

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Algernon Mills. Hon. Sidney Peel.

LONDON AGENCY—

3 & 4 LOTHBURY, LONDON, E.C.

Manager—J. T. Beaty-Pownall.

Assistant Manager—A. F. Gillies.

Accounts opened with traders and private persons. Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiout, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damanhur, Fayoum, Keneh, Luxor, Mansourah, Minieh, Moussy (Cairo) Port Said, Sohag, Tanta, and Zagazig; and in the Sudan at Khartoum, Port Sudan, and Suakim.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

Established 1880.

Subscribed Capital Yen 48,000,000

Capital Paid up 30,000,000

Reserve Fund 18,900,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien Kobe New York

Bombay Liao Yang Osaka | Feking

Calcutta London Bjojan | Port

Changchun Los Angeles Arthur

Dairen (Dainy) Lyons San Francisco

Hankow Fengtien Shanghai

Harbin (Mukden) Tientsin

Hong Kong Nagasaki Tientsin | Tokio

Honolulu Newchwang Taingtan

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—
7 Bishopsgate, E.C.

THE FINANCIAL POST OF CANADA,

"The Canadian Newspaper for Investors,"

Is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

THE INVESTORS' INFORMATION BUREAU

will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

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FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

HEAD OFFICE—TORONTO, CANADA.

WHITELAW'S PHRASES FOR CODE TELEGRAPHY.

A Full Phrase Code on a new plan, using up the last 500 millions of Whitelaw's 2,500 millions two-letter-difference words, and leaving 2,000 millions (2 full sets of 9 Figures) for Tables for Firm Offer and other Tabulated Business.

SPECIMEN COPY WILL BE SENT ON APPLICATION.

The various selections of Artificial and Dictionary words and the Quotation Tables, now long in use, continue as before, and have been duly certificated by the International Examining Committee.

WHITELAW'S, 39 Lombard Street, London, E.C. PALMER, HOWE & CO., Manchester.

LIVERPOOL COURIER



The newspaper of the business man of Lancashire and Cheshire. No business house of any standing is without it.



The organ of the wealthy classes of the North-Western Counties and of North Wales. Its influence is wide and far reaching.



It is the best provincial medium for all classes of financial advertising. Investors in a wide area can only be thoroughly reached through its columns.

An application to the London Manager, 81 Fleet Street, E.C., will bring details of Charges. Private wire to Liverpool is open day and night.

The Liverpool Courier

THE UNION BANK OF AUSTRALIA, Limited.

ESTABLISHED 1837. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000 } together £3,000,000

Reserve Fund £1,000,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserves £7,000,000

HEAD OFFICE: 71, CORNHILL, LONDON, E.O.

DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL.....£1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Souef, Mansourah, Port Said, Tanta, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England, The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4 per cent. per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clements Lane, Lombard Street, E.C.

THE LONDON AND RIVER PLATE BANK (Limited).

Established 1862.

Authorised Capital.....£4,000,000

Paid-up Capital.....1,800,000

Reserve Fund.....2,000,000

BRANCHES.

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Paraná, Barracas (Buenos Aires), Onca (Buenos Aires), Boca (Buenos Aires), Calle Santa Fé (Buenos Aires), Calle B de Irigoyen (Buenos Aires).

URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency).

BRAZIL.—Rio de Janeiro, São Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency).

CHILE.—Valparaiso.

FRANCE.—Paris (16 Rue Halévy).

BELGIUM.—Antwerp (22 Place de Meir).

Agency in New York and Agents throughout the World.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

7 Princes Street, E.C.

UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up-Capital \$5,000,000

Ret and Undivided Profits ... \$3,600,000

Total Assets over.....\$80,000,000

LONDON OFFICES { 6 PRINCES STREET, E.C.
26 HAYMARKET, S.W.

LONDON COMMITTEE: J. Leigh Wood, Esq., O.M.G.
Hon. Sidney Peel; F. W. Ashe, Esq.

The Bank having over 300 Branches in CANADA from Atlantic to Pacific, and Agents in all the principal Cities in America, has exceptional facilities for transacting a general Banking and Exchange business with Canada and the United States. Collections and Correspondence invited.

HONGKONG AND SHANGHAI BANKING CORPORATION.

CAPITAL, all paid up\$15,000,000

RESERVE FUNDS

STERLING RESERVE, HELD

IN LONDON AT EXCHANGE

OF 2s. PER £ = £1,500,000

STERLING, INVESTED IN CON-

SOLS AND OTHER STERLING

SECURITIES.....\$15,000,000

SILVER RESERVE.....17,650,000

.....\$32,650,000

RESERVE LIABILITY OF PROPRI-

TORS.....\$15,000,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONG-

KONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq. Sir Carl Meyer, Bart.

Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

SIR CHARLES ADDIS, } Managers

H. D. O. JONES, } in London.

JOHN MALENNAN, Sub-Manager.

W. M. BLACKIE, Accountants

9 Gracechurch Street, London, E.C.

ALEXANDERS and CO., LTD.
24 Lombard Street, E.C.

Capital	£1,000,000
Subscribed	900,000
Paid up	500,000
Reserve Fund	100,000

The Rate of Interest allowed on Deposits has been this day reduced to 3 per Cent. at Call and 3½ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.
F. NEWCOMB, Manager.
Sept. 4, 1914.

NATIONAL DISCOUNT COMPANY, LIMITED.

Subscribed Capital	£4,233,325
Paid-up Capital	846,665
Reserve Fund	505,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on Deposit are reduced as follows:—
To 3 per Cent. per annum at call.
To 3½ per Cent. at 7 and 14 days' notice.
PHILIP HAROLD WADE, Manager.
Approved Mercantile Bills discounted. Money received on Deposit at Call and short notice, and interest allowed at the current market rates; and for longer periods upon specially agreed terms. Loans granted upon negotiable securities.
No. 35 Cornhill, E.C., Sept. 4, 1914.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED,
39 CORNHILL, E.C.

Capital Authorised	£2,000,000
Capital Subscribed	1,700,000
Paid up	850,000
Reserve Fund	600,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on deposit are this day reduced as follows: At Call, to Three per Cent.; at 7 and 14 days' or longer notice to Three and a quarter per Cent. The Company discounts approved bank and mercantile acceptances, receives money on deposit at rates advertised from time to time in the London daily papers, and grants loans on approved negotiable securities.
CHRISTOPHER R. NUGENT, Manager.
Sept. 4, 1914.

THE UNION OF LONDON AND SMITHS BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the RATE of INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be Three per Cent. per annum from this date until further notice, which will be given by advertisement only.
H. H. HART, Manager (Town and Foreign).
L. E. THOMAS, Manager (Country).
No. 2 Princes Street, E.C.:
Sept. 4, 1914.

BRITISH LINEN BANK
(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3 per Cent. until further notice.
JAMES LITTLE, Manager.
Threadneedle Street, London, E.C.:
Sept. 4, 1914.

LONDON & SOUTH-WESTERN BANK, LIMITED.
Head Office, 170 Fenchurch Street, E.C.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day reduced to 3 per Cent. per annum.
H. H. HAMBLING, General Manager
Sept. 4, 1914.

BANK OF SCOTLAND
(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts will be 3 per Cent. until further notice by advertisement.
WILLIAM SMILES, Manager.
No. 30 Bishopsgate, E.C.:
Sept. 4, 1914.

THE LONDON JOINT STOCK BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day reduced to 3 per Cent. per annum.
CHARLES COW, General Manager.
5 Princes Street, Mansion House:
Sept. 4, 1914.

THE COMMERCIAL BANK OF SCOTLAND, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3 per Cent. until further notice by Advertisement.
GEO. S. COUTTS, Manager.
No. 62 Lombard Street, London, E.C.:
Sept. 4, 1914.

PARR'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposits at seven days' call is 3 per Cent. per annum until further notice.
R. W. WHALLEY,
Director and General Manager.
Bartholomew Lane, E.C.:
Sept. 4, 1914.

LONDON COUNTY AND WESTMINSTER BANK LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors is this day reduced to the following Rates, viz:—
On Deposits subject to seven days' notice 3 per Cent., and on Deposits at Call 2½ per Cent. until further notice.
F. J. BARTHOPE,
Head Office Manager.
No. 41 Lothbury, E.C.:
Sept. 4, 1914.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at its Head Office, Bishopsgate, and London Branches, is this day reduced to 3 per Cent. for money placed on Deposit at seven days' notice.
T. ESTALL,
D. J. H. CUNNIFF, } Joint General
F. ELEY, } Managers.
No. 15 Bishopsgate, London, E.C.:
Sept. 4, 1914.

LOYDS BANK LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is reduced to 3 per Cent. for money at seven days' notice.
HENRY BELL,
General Manager.
No. 71 Lombard Street:
Sept. 4, 1914.

THE LONDON CITY AND MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches will be 3 per Cent. until further notice.
J. M. MADDERS,
S. B. MURRAY, } Joint General
P. HYDE, } Managers.
No. 5 Threadneedle Street, E.C.:
Sept. 4, 1914.

THE UNION BANK OF SCOTLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 3 per Cent. per annum from this day until further notice.
GEO. J. SCOTT, Manager.
London Office, 62 Cornhill, E.C.:
Sept. 4, 1914.

THE CLYDESDALE BANK, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3 per Cent. per annum until further notice.
JOHN CRAGG, Manager.
30 Lombard Street, London, E.C.:
Sept. 4, 1914.

MARTIN'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 3 per Cent. per annum from this date until further notice.
G. BROMLEY MARTIN,
Managing Director.
No. 68 Lombard Street, E.C.:
Sept. 4, 1914.

THE CAPITAL AND COUNTIES BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on DEPOSITS Repayable on SEVEN DAYS' NOTICE is this day reduced to 3 per Cent. per annum.
G. A. HARVEY, } Joint General
E. D. VAISEY, } Managers.
No. 39 Threadneedle Street, E.C.:
Sept. 4, 1914.

ROYAL BANK OF SCOTLAND
(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3 per Cent. until further notice.
W. WALLACE, Manager.
No. 3 Bishopsgate, E.C.:
Sept. 4, 1914.

WILLIAMS DEACON'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 3 per Cent. per annum from this date until further notice.
JOHN J. MEAGHER,
Manager.
20 Birch Lane, E.C.:
Sept. 4, 1914.

THE NATIONAL BANK OF SCOTLAND, LIMITED, Incorporated by Royal Charter and Act of Parliament.
London Office: NICHOLAS LANE, LOMBARD STREET.
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3 per Cent. per annum for money at seven days' notice.
J. FERGUSON, Manager.
Sept. 4, 1914.

MEXICO TRAMWAYS COMPANY.

NOTICE IS HEREBY GIVEN that Coupon No. 16, due 1st September, 1914, on the General Consolidated First Mortgage 50-year Five per Cent. Gold Bonds of the Mexico Tramways Company will be paid on and after that date at the Bank of Montreal, 47 Threadneedle Street, London, E.C., and at their offices in New York and Montreal.
Coupons must be left at the Banks three clear days for examination previous to payment, between the hours of 10 A.M. and 2 P.M. (Saturdays excepted).
Listing forms can be obtained at the Banks. Dated this 31st day of August, 1914.
U. DE B. DALY, Secretary.

BOLCKOW VAUGHAN & CO. LIMITED, MIDDLESBROUGH.

NOTICE IS HEREBY GIVEN that in accordance with the Articles of Association the Transfer Books of the above-named Company will be Closed from the 9th to the 29th day of September inclusive.
Transfers received for registration on and after the 9th inst. can only be registered on and after the 30th inst., exclusive of the Dividend to be declared at the annual meeting of shareholders.
For the Secretary,
W. W. STORR.
2nd September, 1914.

CANADIAN NORTHERN ONTARIO RAILWAY COMPANY. CANADIAN NORTHERN PACIFIC RAILWAY COMPANY.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Four per Cent. Perpetual Consolidated Debenture Stock of the Canadian Northern Ontario Railway Company of the First Mortgage Four per Cent. Guaranteed Debenture Stock and of the Four-and-a-Half per Cent. First Mortgage Terminal Debenture Stock of the Canadian Northern Pacific Railway Company will be Closed from the 12th September to the 2nd October, 1914, inclusive, for preparation of Interest Warrants payable on the 2nd prox.
By Order,
H. W. HARDING,
Local Secretary.
Bond Court House, Walbrook, E.C.,
3rd September, 1914.

THE BANK OF BRITISH NORTH AMERICA.
(Incorporated by Royal Charter.)

The Court of Directors Herewith Give Notice that an Interim Dividend for the half-year ended 30th May last of forty shillings per share, being at the rate of 8 per cent. per annum, will be paid, less income tax, on the 3rd day of October next, to the proprietors of Shares registered in this country.
No Transfers can be made between the 19th inst. and the 2nd prox., inclusive, as the books must be Closed during that period.
By Order of the Court,
JACKSON DODDS,
Secretary.
5 Gracechurch Street, London, E.C.,
1st September, 1914.

Wesleyan & General Assurance Society.
ESTABLISHED 1841.
Chief Offices ... BIRMINGHAM.
London Central Offices:
HALTON HOUSE, 20-23 HOLBORN, E.C.
Accumulated Funds Exceed £2,000,000. Claims Paid Exceed £7,000,000.
Annual Valuations and Distribution of Profits.
Copies of the Annual and Valuation Reports, Prospectuses, with revised Rates of Premiums &c., on application.
ARTHUR L. HUNT,
General Manager.

CANADA.

THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.
C. A. BOGERT, General Manager.**LONDON BRANCH, 73 CORNHILL, E.C.**

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking Business transacted. Information
furnished regarding Canadian matters.**TENDERS.****THE SOUTH INDIAN RAIL-**
WAY COMPANY, LIMITED, are pre-
pared to receive tenders for the supply after
31st March, 1915, of:—ROLLING STOCK: Steel-covered Goods,
Bogie Wagons, High-sided Bogie Wagons, Bogie
Timber Trucks, Bogie Rail Trucks, and Brake
Vans (Metre Gauge).Specifications and Forms of Tender may be
obtained at the Company's Offices.Tenders, addressed to the Chairman and
Directors of the South Indian Railway Com-
pany, Limited, marked "Tender for Rolling
Stock," must be left with the undersigned not
later than 1 o'clock on Wednesday, the 23rd
September, 1914.The Company is not bound to accept the
lowest or any tender.A charge, which will not be returned, will
be made of 40s. each for the specification.Copies of the drawings may be obtained on
payment at the offices of Robert White, Esq.,
M.Inst.C.E., Consulting Engineer to the Com-
pany, 3 Victoria Street, Westminster, S.W.

By Order,

V. E. DE BROE, M.Inst.C.E.,
for Managing Director.Company's Offices—
91 York Street,
Westminster, S.W.,
1st September, 1914.**UNION-
CASTLE
LINE.**South and
East AfricaROYAL MAIL
ROUTE.The Cape,
Natal,
Transvaal,
Rhodesia,
East African
Ports,
Mauritius,
etc.For sailings and other information
apply to the Head Office, 3 Fenchurch
Street, London. West-end Agency:
Thos. Cook & Son, 125 Pall Mall, S.W.**NORFOLK AND WESTERN
RAILWAY COMPANY.**The Annual Meeting of the Stockholders of
the Norfolk and Western Railway Company will
be held at the principal office of the Company
in the City of Roanoke, Virginia, on Thursday,
the 8th day of October, 1914, at 10 o'clock A.M.,
to elect Directors, to elect independent Auditors
to audit the books and accounts of the Company
at the close of the fiscal year, to consider the
annual report of the Directors for the fiscal year
which ended June 30th, 1914, to ratify and
approve all action of the Directors set forth in
such annual report and in the minutes of the
Company, and to transact such other business
as may properly come before the meeting.The Stock Transfer Books will be Closed at
3 o'clock P.M., Wednesday, September 23rd, 1914,
and Reopened at 10 o'clock A.M., Friday, October
9th, 1914.

By Order of the Board of Directors,

E. H. ALDEN,

Secretary.

**NORFOLK AND WESTERN
RAILWAY COMPANY.**The Board of Directors has declared a Quar-
terly Dividend of One and One-half per cent.
upon the Common Stock of the Company, pay-
able at the office of the Company, Commercial
Trust Building, Philadelphia, Pa., September 19,
1914, to the Common Stockholders as registered
at the close of business August 31, 1914.

E. H. ALDEN,

Secretary.

**B.I. REGULAR SERVICES
TO**EGYPT, CEYLON, INDIA, PERSIAN
GULF, EAST AFRICA, MAURITIUS,
BURMAH, STRAITS, CHINA, JAPAN
AND AUSTRALIA.

WELL-APPOINTED STEAMERS.

For further information please apply:—
GRAY, DAWES & Co., 23 Great Winchester
Street, E.C., and 16 Northumberland Avenue,
W.C.; or GELLATLY, HANKEY & Co.,
Dock House, Billiter Street, E.C., and 62
Pall Mall, S.W.**THE STOCK EXCHANGE.**

NOTICE.

Members of the Stock Exchange are not allowed to
advertise for business purposes or to issue circulars to
persons other than their own principals.Persons who advertise as Brokers or Share Dealers
are NOT Members of the Stock Exchange or in any
way under the control of the Committee.Members issuing Contract Notes are required to use
such a form as will provide that the words "Member
of the Stock Exchange, London," shall immediately
follow the signature.A List of Members of the Stock Exchange who are
Stock and Share Brokers may be seen at the Bartholom-
ew Lane entrance to the Bank of England, or
obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

**PRUDENTIAL ASSURANCE
COMPANY, LIMITED.**

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £88,000,000

CLAIMS PAID - £110,000,000

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OBTAINED ABROAD.**INDIA.—D. B. TARAPOREVALA, SONS & CO.,
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Dori Nichome, Yokohama; Y. OKURA, Nihon-
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THE ANGLO-AMERICAN BOOKSELLING
DEPOT, Port Said.SOUTH AFRICA.—CENTRAL NEWS AGENCY,
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WILLIAM DAWSON & SONS, Capetown,
Johannesburg and Durban.AUSTRALIA.—GORDON & GOTCH, Melbourne,
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Adelaide.NEW ZEALAND.—PRIOR & CO., Dunedin;
S. & W. MACKAY, Wellington.CANADA.—HAROLD A. WILSON & CO., LTD.,
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and Montreal; A. T. CHAPMAN, 2407 St.
Catherine Street, Montreal; SELLS, LTD., 302
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83-5 Duane Street, New York; BRENTANO,
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SUBSCRIPTION NEWS CO., Oak Park, Chicago;
OLD CORNER BOOKSTORE, 27-9 Bromfield
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In the circumstances, Subscribers on the Continent must expect delay or even non-delivery of "THE STATIST" until the restoration of normal postal facilities.

The Statist.

LONDON, SATURDAY, SEPTEMBER 5, 1914.

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The Money Market.

Friday Evening, September 4, 1914.

5 per Cent. (Aug. 8, 1914)
6 per Cent. (Aug. 6, 1914)
Bank of England 10 per Cent. (Aug. 1, 1914)
Rate. 8 per Cent. (July 31, 1914)
4 per Cent. (July 30, 1914)
3 per Cent. (Jan. 29, 1914)

Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	8 MONTHS.
	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Bank Bills	4½-3	4½-3	4½	4½-1
Trade Bills	—	5½-6	5½-6	5½-6

Deposit Rates:—

	DATES FIXED.	AT CALL	SHORT NOTICE	
			7 DAYS.	14 DAYS.
Banks	September 4, 1914	—	3	3
	August 8, 1914	—	3½	3½
	August 6, 1914	—	4	4
	August 1, 1914	—	5*	5*
	July 31, 1914	—	4	4
	July 30, 1914	—	2½	2½
Discount Houses	January 29, 1914	—	1½	1½
	September 4, 1914	3	3½	3½
	Aug. 27, 1914	3½	3½	3½
	August 8, 1914	4	4½	4½
	August 1, 1914	5	5½	5½
	July 31, 1914	4½	4½	4½
	July 30, 1914	2½	2½	2½
	January 29, 1914	1½	1½	1½

* Head Office and Metropolitan Branches only.

MONEY.

THE return of the Bank of England for the week ended last Wednesday night is well deserving the study of all who would understand the influence of the war upon finance and trade. For example, the "Other" securities in the Banking Department amounted on Wednesday evening to £121,820,692, being an increase for the week alone of £11,916,022, or 10.9 per cent. If we go back to July 22 we find that the total was no more than £33,633,000. There has, consequently, been in the six weeks since an increase of £88,187,692, or 262.4 per cent. As a natural consequence, the "Other" deposits amounted on Wednesday evening last to £133,818,826, an increase for the week of £9,926,167, or 8 per cent. Going back to July 22 the "Other" deposits amounted to £42,185,000. Consequently, in the six weeks since there has been an increase of £91,633,826, or 217.1 per cent. The failure of the joint-stock banks to fulfil the functions for which they exist forced the Government to proclaim a moratorium and the Bank of England to undertake restoring order in the Money market.

The coin and bullion in both departments amounted on Wednesday evening to £47,772,712. We have to go back to July 29, 1896, or over 18 years, to find so large a metallic reserve in the Bank of England. The increase for the week ended Wednesday night last was £4,299,300, or 9.9 per cent. Comparing the condition now with the condition on July 22, we find an increase of £7,608,712, or 18.9 per cent. But it should be pointed out, to make clear the influence upon the Money market of the war crisis, that in the two weeks immediately following July 22 there was a decrease in the gold held by the Bank of £12,542,000. In the four weeks that immediately followed there was an increase of £20,150,000, with the result that, setting off the subsequent increase against the previous decrease, the Bank shows an augmentation compared with July 22 of £7,608,000.

We have entered into some detail to bring out the material facts, and we particularly wish to call the attention of our readers to the circumstance that while during the fortnight in which the war scare began there was an outflow of gold from the Bank of 12½ millions, in the four weeks that have since followed there has been an increase of over 20 millions. It is to this latter movement that we would especially call the attention of our readers. The first effect of the war, or rather of its imminence, was to lead everybody who could to withdraw gold from the Bank. Probably German and Austrian banks were not inactive in that respect. But as soon as the moratorium was proclaimed gold began to flow into the Bank, with the result that in four weeks over 20 millions have been obtained, being at the rate of rather more than five millions per week. From this we may reasonably conclude that unless something entirely unforeseen and untoward happens the Bank will continue to grow rapidly and remarkably in strength.

In all reasonable probability, then, the Bank of England will before long be stronger than possibly it ever has been hitherto. It is quite true that we shall have to finance Egypt and South America as usual, and it is quite possible that we may have, likewise, to send a considerable amount of sovereigns to India. Furthermore, it is likely that there will be by-and-by a strong American demand for the metal. New York has during the past three months shipped a large amount to Europe. The holdings of the banks of that city have, in consequence, fallen very low. Moreover, as the crops are large the moving of them will require a very considerable increase of currency. It is true that emergency currency is being issued in large amounts, therefore there need not be much gold imported because of the moving of the crops. On the other hand, it seems safe to conclude that the banks will wish to replenish their reserves, and consequently there may be a strong demand for gold for New York in the autumn.

In particular, we have to note that the Federal Reserve Board is now fully constituted; consequently it is to be presumed that the organisation of the new system will be pushed rapidly; and it is, to say the least, not unlikely that a strong demand for gold may spring up. On the other hand, it is not to be forgotten that the Treasury holds a very large amount of gold; that the gold produced in North and South America, for the most part, flows into the United States; and, consequently, that there is no pressing need for a great addition to the gold stock. Still, it will be well to bear in mind that the American crops are large, and that the United States will have the power to take gold if it is deemed advisable to do so.

Nevertheless, we lean to the conclusion that the import of the metal into this country will be exceptionally large, and will continue for a long while. In the first place, the 5 per cent. rate has now lasted a considerable time, and experience tells us that a 5 per cent. rate always attracts large amounts of gold to London. In the second place, neither Germany nor Austria is in a position to attract very much of the metal. Their time for doing so was before the outbreak of the war. Until peace is restored it is hardly probable that they will be able to secure very much. It does not seem likely either that France will be able to add much to her stock. The Bank of France is exceedingly strong, and, so far as can be judged, need not increase her gold reserve. The credit of the Bank stands so high that its notes are freely received by the whole community. In the present state of things, therefore, gold is not necessary except for payments made abroad.

As far, then, as can be judged at present, the effective demand for gold will be largely confined to this country, the United States, and possibly India. Russia does not require to add to the great stock of gold it already possesses, for internally the bank-note is everywhere received, and the issue of new bank-notes has been on an enormous scale. Whether India will be in a position to take a great amount of sovereigns will, of course, depend upon the monsoon. We have entered upon what is usually the last month of the monsoon, and there is every reason, therefore, for hoping that it will be good; that the crops will be, in consequence, bountiful; and that India may look forward confidently to another good year. Therefore India may take a large amount of sovereigns once more, but that will not prevent a vast accumulation of gold here in London.

It is not to be left out of account that the total production of gold throughout the world is not far short of 100 millions sterling per annum; that the bulk of it is raised within the British Empire; that the United States, Mexico, are in addition large pro-

ducers; and that there is, likewise, a considerable production in Russia. Therefore the production of gold may be said to be almost confined to the British and Russian Empires amongst the belligerents, and to the American continent amongst neutrals. Germany, being cut off from the sea, and almost her whole effective manhood being engaged in fighting or in services subservient to fighting, is not likely to be able to obtain much of the metal. On the contrary, if it can buy war *matériel* of any kind on a great scale from foreign countries it will have to remit gold in payment. The probability, then, seems to be exceedingly high that we are about to see an unexampled accumulation of gold in London.

Everything tends in the direction of cheaper discount. The number of bills offering increases but slowly, whilst the amount of money available in the Discount market increases rapidly. The Bank is growing appreciably stronger week by week, and although exchange business has not yet been re-established, favourable sentiment has certainly made more progress during the past week. What is wanted more than anything else to restore confidence is news of a great victory by the Allies. The amount of business at the Bank of England in pre-moratorium bills is becoming smaller daily, as it must naturally do, owing to the fact that the number of such bills is a fixed quantity. No little anxiety was felt in the market early in the week when it became known that, although the Bank of England had discounted pre-moratorium bills "without recourse," they had made it a condition that certain bills which had not been paid on maturity, and the re-acceptance of which had been refused, should be, and had been, thrown back upon the discounter. Although no official explanation of the notice has been given, it is understood that during the rush of business a great many bills were taken by the Bank which would not have been regarded as approved had there been time to properly examine them. The contention of the Bank seems to be that a pre-moratorium should either be paid off at maturity or be re-accepted in order that it should be considered an approved bill. The extension of the moratorium was represented by some brokers as an inducement for them to hold bills at maturity and run them with cheap money, in the hope that the acceptor would not trace them and take them up. Notwithstanding this desire to stick to pre-moratorium bills, short money has been so plentiful that the rates for post-moratorium bills have further receded, and to-day there was business at under $4\frac{1}{2}$ per cent. in all except six months' acceptances. Short money has ranged from $2\frac{1}{2}$ per cent. to 3 per cent. To-day both banking and discount houses further reduced their deposit rates by $\frac{1}{2}$ per cent. The banks now allow 3 per cent. for notice money and the discount brokers 3 per cent. for money at call and $3\frac{1}{2}$ per cent. for money at notice. The margin between deposit rates and the Bank rate is now, therefore, 2 per cent. instead of the usual $1\frac{1}{2}$ per cent.

BANK OF ENGLAND

DURING the first fortnight after the outbreak of war no less than £12,000,000 of gold was taken out of the Bank for the country. During the past three weeks £5,500,000 of this gold has been returned, and as there has been a steady receipt of gold on foreign account the aggregate amount in the Bank of England at £47,772,000 is the highest amount witnessed for about 18 years, namely, since July 29, 1896. Apart from the addition of £4,299,000 to the bullion there was a contraction of £283,000 in the note circulation, so that £4,583,000 was added to the reserve, which now stands at £30,935,000. Besides benefiting by the addition to the reserve, market balances were also increased by nearly £12,000,000 through the further discount of pre-moratorium bills, and the total of the "other" securities now amounts to £121,821,000.

Against the total receipt of £16,500,000 the market only lost about £6,500,000, £4,790,000 having been added to the public deposits, and £1,755,000 having gone off the Government securities, so that there was a net increase of nearly £10,000,000 to the "other" deposits, which now amount to the huge sum of £133,819,000, a total more than three times the amount at which they stood before the outbreak of war. The fact that the public deposits are less than £5,000,000 higher, notwithstanding the payment for the £15,000,000 of Treasury bills, shows that heavy Government disbursements took place. The ratio of reserve to liabilities, which early in August had fallen to nearly $14\frac{1}{2}$ per cent., has now been raised to slightly over 19 per cent.

BANK OF ENGLAND DIVIDEND.

LAST week's addition of £25,000 to the "Rest" of the Bank of England raises that item to £3,717,000, as against £3,669,000 a year ago. The amount available over and above the irreducible minimum of £3,000,000 means that the Bank will be able to distribute a dividend at the rate of 10 per cent. per annum, as against 9 per cent. a year ago. For the six months ended March last it may be recalled the dividend was raised from 9 per cent. to 10 per cent. But whereas for more than a generation the rate had been declared free of income-tax, now the tax is deducted. Consequently the dividend is not a full 10 per cent., although, having regard to the magnitude of the capital of the Bank of England, the return is a very handsome one.

POSITION IN INDIA.

WITH respect to the position in India, the situation seems to be greatly improved so far as can be gathered from the meagre information coming to hand. The India Council is still confining its drawings to 10 lacs per week, but the applications only amounted to a little over $1\frac{1}{4}$ lacs, which were accepted. The sales so far to date have realised a little over £3,500,000, as against over £7,500,000 at the corresponding date of last year.

Another indication of the improvement in the position is the fact that the offer of £1,000,000 of sterling bills upon London on Thursday met with a still smaller demand. The total applications only amounted to £474,000 in bills and transfers, which is the smallest amount yet applied for, and the amount was allotted.

The following are the minimum Rates of Discount current in India:—

Bombay ... 6 per cent. (Aug. 20, '14) | Bengal ... 5 per cent. (Aug. 7, '14).

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 2, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
1 3 $\frac{1}{2}$...	10,000	10,000	100	1 3 $\frac{1}{2}$...	1,00,000	1,00,000	100
1 3 $\frac{3}{4}$...	20,000	20,000	100	—	—	—	—
Total ...	20,000	20,000	100	Total ...	1,00,000	1,00,000	100
Grand Total ... Ra. 10,00,000				Grand Total ... Ra. 1,30,000			

THE NATIONAL MUTUAL LIFE ASSURANCE SOCIETY (of London).

Founded 1830.

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NEW BONUS 36/-

per cent. per annum on sums assured and existing bonuses

The most profitable policy is that which gives the best return having regard not only to the bonuses added but also to the rate of premium charged.

Write for Explanatory Leaflet to
The Actuary and Manager, 39 King Street, Chancery Lane,
London, E.C.

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	Bills.			Telegraphic Transfers—		
	Rs.	Average.	Minimum.	Rs.	Average.	Minimum.
Bombay ...	30,000	1/3 5/47	1/3 1/2	1,00,000	1/3 9/68	1/3 1/2

The following Special Sales have since been made:—

	Rs.	At
Bills on Calcutta ...	12,000	1/3 1/2
Bills on Madras ...	16,000	1/3 1/2

From April 1 to Sept. 1 inclusive the Council have granted remittance for Rs. 5 36,88,332, realising £3,583,170. Up to Sept. 1 of last financial year the total Bills and Transfers sold was Rs. 11,25,69,721, realising ₹7,519,193. The total sales for the week ended Sept. 1 amounted to Rs. 2,00,000, realising £13,359. The amount to be offered for tender next Wednesday will again be 10 lacs.

SILVER.

THE Silver market has been quiet; the spot quotation in London, which last week left off at 23 1/2, receded on Saturday to 23 3/4, recovered 3/4d. on Monday, but has fallen back again to 24d., showing an improvement of only 1/4d. on the week. Brokers report that practically the only support of the market is a little inquiry occasionally for coinage purposes.

	Aug. 23	29	31	Sept. 1	2	3	4
London ...	23 1/2d.	23 3/4	2 1/4	24	24	24	24
Exchange...	1/3 1/2	nom.	1/3 1/2	nom.	1/3 1/2	1/3 1/2	1/3 1/2

Stock Exchange.

TICKET DAY. PAY DAY. CONSOLS.

Settlement { Wed., Aug. 23; *Thurs., Aug. 13; *Thurs., Aug. 13
Days. { — Thurs., Aug. 27; —

* Deferred to September 14 for General and September 7 for Consols Settlements.

July 31. Paris Bourse settlement deferred to August 31. London and New York Stock Exchanges did not open.

General securities and Consols settlements deferred to August 27 and beginning of September.

Aug. 3. Bank Holiday extended to August 6 inclusive.

" 4. War declaration Germany and England.

German Reichstag authorises extraordinary expenditure of £265,000,000, suspends the 5 per cent. tax on excess circulation, authorises Imperial Bank to discount bills with only one signature, makes all Imperial paper legal tender, authorises Government to close bargains at prices the Government will fix, and grants advances up to £75,000,000 on German stocks and shares and goods of non-perishable nature, and one-half or one-third of assessable value on trade stock and industrial products placed under seal. (See *Times* of August 10, p. 5.)

" 6. British moratorium of month to September 4.

" 7. Banks reopen and issue of £1 Government (Treasury) notes (Currency and Bank Notes Act, 1914). Banks empowered to borrow (Currency Notes from Government up to 20 per cent. of their liabilities on deposit and current account.

" 12. General securities and Consols settlements on London Stock Exchange further deferred to September 14 and September 7 respectively. German branch banks in London permitted to resume business.

" 13. Government guarantees bills of exchange discounted at the Bank of England.

Measure for holding gold in Colonies for account of the Bank of England.

" 17. Provision for paying Rand mining companies' dividends.

" 19. Issue of £15,000,000 six months' Treasury bills.

" 20. Action of Continental banks in reducing their official rates.

" 21. News of entry into Mexico of General Carranza.

" 26. Parliament approves measures for increase of Government (Treasury) certificates and notes.

Issue of £15,000,000 six months' Treasury bills.

" 27. Ditto as to a War Loan Bill, also leniency to debtors.

Sept. 1. Royal Proclamation of the British Moratorium being extended to October 4.

" 2. Deferment of reopening the Stock Exchange "to a date or dates to be shortly announced."

Friday evening.

On August 31 the Stock Exchange Committee sent to each member of the House a notice calling for a statement "for the exclusive information of the Committee" as to

(a) The total amount owing by them on loan—
To the Clearing Banks,
All other banks and other institutions,
Firms or individuals,
Stating in each case whether they are with or without margin.

(b) The amount they have open in
Consols, Irish 2 3/4 per Cent., India 3 per Cent. and 3 1/2 per Cent.,
Colonial and foreign partly-paid scrips,
And all stocks or shares the settlement of which is undertaken by the Settlement Department.

Forms marked (a) and (b) can be obtained from the Settlement Department, 75 Old Broad Street, and must be returned to that department with the required information on the following dates:—

(a) Before 12 noon on Thursday, September 3.

(b) Before 12 noon on Friday, September 4.

From the return in respect of (a) a comprehensive idea will be available as to the extent and character of the total loan transactions effected through the Stock Exchange.

From return (b) it will be ascertained the extent of commitments in three great departments—the gilt-edged market, in new loans where there are calls outstanding to be met, and in about 247 of the principal foreign Government bonds; Home, Colonial, American, and foreign Railway securities; industrial, mining, &c. shares—in short, the important leading securities in which large transactions occur.

It looks as if the Stock Exchange Committee moved in the direction of obtaining information somewhat tardily, but it may be that it has not been considered desirable to ascertain the position until as far as possible the purchases or sales in respect of the mid-August account had been closed up by agreement between the ultimate buyers and sellers.

There is an impression in usually well-informed quarters as to Stock Exchange matters that the unadjusted positions in respect of the mid-August (General) account are really of small proportions. For months previous to the end of July the volume of transactions in the Stock Exchange had been a shrinking one. The speculation open on behalf of the public carried over from account to account on "contango" had been pulled down very considerably during the times of unrest and discomfort that the markets have experienced for many months. Dealings in the Mining department were effected for what is termed "new time" shortly after the opening of the market on mining contango day, July 24, so that in respect of mining transactions there were new dealings effected on only six days. In general securities the carry-over day was July 27, and dealings were during only four days. The volume of business done at the time of the acute feeling of alarm during the last few days of July was not accompanied by actual business at all commensurate with the extent of the fall in prices. There was indisposition of dealers to make prices, and those who sought to throw over speculative positions tried, and when able did so, at what prices they could obtain; but the volume of actual transactions is understood to have been small, save for a few exceptionally large dealings in international securities.

The steps above mentioned taken by the Committee to ascertain from members the existing amount of unclosed accounts open for August 13 will enable

the Committee to form a definite opinion on the point of the magnitude of the open position. It is calculated that of all the open positions, whether contangos or new bargains for the mid-August account, approximately one-tenth has, since the closing of the Stock Exchange, been settled by payment for stock bought or delivery of security sold.

All manner of plans have been put forward for bringing about a clearing of the decks as to the remaining open position. There is advocacy of the cancelling of all bargains and contangos effected. Another suggestion put forward is that everything should be closed at a fixed making-up price. Some people are urging that the fixed price should be that of the making-up price at the end of July account, others that the price should be that of the last quotation of July 30, and yet others that a committee of members should be appointed to fix prices within the range of the making-up prices or the closing quotations of July 30.

There appears, however, to be a majority of adherents to the idea that the only action which in the circumstances is possible is to leave new dealings as well as loan transactions and contangos to stand unsettled, unless by optional arrangements, until the war is over.

The extension by Royal Proclamation of the moratorium to October 4 gives further time for consideration of the Stock Exchange as well as other positions that have to be dealt with. Existing conditions are such that it is necessary in some directions to take steps of most extraordinary character. The argument that a thing should not be done because it is "unprecedented" has no weight when unprecedented events call for the establishment of new precedents. We have the fact that virtually all the bourses and stock exchanges of the world are closed. If it is proposed for the London Stock Exchange shall not be reopened for time bargains, and that all existing unsettled bargains shall remain so until after the end of the war, it is an unprecedented proposal, but it is one that is very strongly believed to be the right course to adopt.

In consequence of the Royal Proclamations of August 6 and September 1, 1914, the resolutions of the Stock Exchange Committee of July 31 and August 12, 1914, were on September 4 modified as shown below:

That bargains open for the August Consols account be settled on October 14, and those for the September and October Consols accounts November 5.

That bargains open for the ordinary Mid-August account be settled on October 14, and those for the end-August account on October 29.

That bargains open for the special settlements fixed for August 7 and 13 be settled on October 14.

The Committee have also confirmed the following resolution: "That nothing in the above shall suspend or postpone the legal obligations of alien enemies to fulfil bargains made by them before the war."

The Committee have further resolved:—

Continuation rates for the extended periods are fixed by proclamation at 6 per cent.

Payment for securities undelivered on the end July account is postponed by proclamation until October 4, but the Committee trust that all members will notwithstanding make every endeavour to settle all outstanding bargains.

Options declarable while the House is closed must be declared on the due dates.

Bargains done before August 4, for special dates up to October 3 inclusive, must be completed within two calendar months from such special dates.



Established 1885. By Appointment. Established 1885.

GENERAL

Accident Fire and Life
ASSURANCE CORPORATION, Ltd.

ASSETS EXCEED	-	-	-	£2,500,000
CLAIMS PAID	-	-	-	£7,000,000

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A development of the
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FROM ALL TOBACCO STORES IN 4-oz.
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Mining Topics.

WHETHER the period of the great war convulsion be one of months or years the consensus of opinion is that the Central European Powers which have lighted the torch of war will in the end be brought to such a condition that the spirit of militarism which has been rampant for so many years will after conclusion of peace, at all events for a long while to come, be put an end to. The chronic apprehension of an Armageddon will no longer, as it has done in the past, oppress all the leading civilised countries of the world. Following an era of waste of life and destruction there will, after the conclusion of peace, be a long era of recuperation in the circumstance of removal of apprehension as to the outbreak of war. There will come a period of an increasing state of

activity in all departments of trade, and an industry which will be particularly affected will be that of obtaining gold, so necessary for international trade requirements. These observations may be regarded as generalities, but they have an intensely practical interest for the reason that so large a proportion of the gold that is secured by the world is derived from the regions with which Great Britain is more or less directly associated, and also the fact that the areas of gold-bearing regions are outside the countries directly affected by the state of war. European manufacturing industries of all descriptions, especially in the centres of the greatest amount of destruction, will suffer very severely and there will be some delay in attaining restoration of pre-war conditions; but the regions where gold is produced will not experience any check, for there has been no destruction of the source of supply or of the plant necessary for obtaining gold. The demand for the royal metal is an illimitable and unchecked one; the price secured for the product of gold mines is an unvarying one.

The amount of British capital embarked in companies formed to secure gold output is a very important aggregate. Even now the old attitude that used to be taken up in respect of mining ventures is still retained by a good many people. It used to be considered derogatory in bygone days for people to interest themselves in the shares of companies that produced metals, including gold. Coal mining or iron manufacture were considered perfectly all right, as also was stone quarrying, but the man who bought shares of base metal or gold producing companies was often looked askance at. He was considered to be an ultra-speculative individual, and to a considerable extent uninformed speculative purchasers of mine shares acted in a manner that justified such an attitude. But there are "mines" and mines, and people who have exercised reasonable discrimination in the matter of investing in mine shares must not be disheartened by the attitude of some of their fellow-countrymen, who profess to regard holders of such shares as not quite respectable. It is curious to note that managers and others associated with banking in the old days used to be most pronounced denouncers of people who took an interest in even gold mining, and yet bankers each and every one admit that gold is required in connection with the trade of the world. Then, too, the production of copper, tin, lead, spelter, and other metals is essential.

We recall that in the quite early days of the Rand we gave attention to the progress being made in the gold production of that region, and we were expostulated with by banking friends, who considered that a paper of the character of THE STATIST had no business to meddle with mining undertakings. This was gravely put forward in face of the fact that from 1880 to 1913 the gold produced by the world made up an aggregate value of £1,739,786,000.

We have said that there are "mines" and mines. We would emphasise this point, because we have been urging those of our readers who have taken an interest in good gold mining shares of the Rand not to throw away their holdings at anything like the present level of prices. Of course, in this advice we have assumed that there has been careful selection on individual merits of mining companies. In THE STATIST of August 15 we gave three instances where, with some fair amount of knowledge, we came to the conclusion that the prices current in the market at end of July were much below value. These instances were the City and Suburban, an old-established mine; the City Deep, situated on the deep-level ground immediately south of the City and Suburban, these giving illustrations of two mines in the rich portion of the Central Rand, one of outcrop and the other of deep-level character; and we also gave the instance of the Modderfontein B Company in quite another portion of the Rand. The career of the Modder B Company has been a remarkable one. Its large area after years of

neglect at length came to be worked, and phenomenally good results have been obtained, and there is the outlook of a long period of big production. Last week we promised to deal with two companies which in past months we have given attention to—namely, the Van Ryn Deep and the Modder Deep. Both these properties adjoin, and are situate immediately south-west of the Modder B. We refer below to the Van Ryn Deep mine.

VAN RYN DEEP.

When we first wrote about the Van Ryn Deep its extensive property was quite an untouched one. True, it had been ascertained reef existed in it in continuity of the outcrop found in the proved Van Ryn and Kleinfontein outcrop areas. There had been two deep-level companies—the Van Ryn Deep and the Kleinfontein Deep. These were amalgamated. The initial capitalisation was recast, and working capital enough provided to enable the Company to continue adequate development and erect reduction plant. The developments right from the restart of work were of encouraging character, and as depth was attained the value of the reef formation became better and better, and by the time the mill started in the middle of 1913 enough payable ore had been brought into sight to last the up-to-date mill, of a capacity to deal with some 500,000 tons of ore per annum, for a period of about three years.

The area of the Company is a large one, 764½ claims. If one makes an allowance of 20 per cent. of the area as possibly barren, consequent on faults, dykes, &c., it may be assumed that the net reef area would leave, say, 610 claims. Assuming that the reef inclination into the ground is 12 degrees, and that a stopping width of 51 inches is averaged, the gross tonnage per claim would be 23,240 tons. But such gross amount is subject to the quantity sorted out, and an allowance of 15 per cent. for sorting would bring down the net mill tons per claim to 19,760 tons. The net quantity on these bases remaining in the mine at December 31, 1913, equalled very near to 12 million tons, or a quantity that would feed a mill using 500,000 tons a year for a period of 23 or 24 years. The quantity of ore brought into sight at December 31, 1913, after allowance of 15 per cent. for sorting, was 1,660,000 tons. The assay value of that quantity stood at 42s. 11d., as against 35s. 5d. a year previously, for the approximate million mill tons that had to then been brought into sight. The assay value of 42s. 11d., of course, is subject to deductions for loss in extraction; but note has to be taken of the fact that the average extraction value of the first six months of 1914 has only been a shade over 33s. per ton, as against the assay value of 42s. 11d. for the ore reserves. The recent rate of profit per ton has been slightly over 16s. Continuance of the use of 500,000 tons per annum we should assume on conservative lines will mean an average minimum rate of dividend of 30 per cent. for the life of the property. The probability is that, as developments in depth have been in increasingly rich ore, of an increase in the dividend in the course of time.

If the dividend should prove to be 30 per cent. for the life of, say, 23 years, the share, if bought at the price of £2 6s. 6d., would give a yield to the investor of 10 per cent., and excess dividend over 10 per cent. income required, if invested at 3 per cent., would replace the capital paid for the share at the end of the life. If the investor were content with 8 per cent. income and the reimbursement of his capital the present value of the share on a 30 per cent. dividend basis would be £2 15s. In case the dividend were increased to an average of 35 per cent., on a 10 per cent. basis the present value of the share would be £2 14s., and on an 8 per cent. basis £3 4s. In case, however, there be an average dividend of 40 per cent. for the life, the present value on the 10 per cent. basis works out at £3 2s., and on an 8 per cent. basis at £3 13s. 4d.

Van Ryn Deep.—Capital, £1,196,892, in £1 shares. 80 stamps, 8 tube mills, started July 14, 1913.

Year to Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1914.					
Mar. qr. av. 70	103,740 13½	171,532 33/0	97,266 18/9	74,266 14/3	2½
Apr. .. 80	40,000 12	66,260 33/2	34,253 17/5	22,007 15/9	2½
May .. 80	42,080 —	69,535 33/1	34,934 18/11	34,601 16/2	2½
June .. 80	42,820 —	70,586 33/1	33,921 16/3	36,662 18/10	2½
July .. —	—	—	—	38,057 —	1½

Dividends—1913, Dec., 7½ per cent.
1914, June, 12½ per cent.

RAND GOLD OUTPUT.

ALTHOUGH in the circumstances there is a hiatus in the telegraphed information as to crushings, the results advised may be given:—

Bantjes Consolidated.—Capital issued £502,306, in £1 shares. Three tube mills. Capacity of plant increased to 30,000 tons per month.

Year ends Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912 .. 80	236,453 12½	423,021 29/8	345,275 24/1	77,746 5/5	1
1913 .. 100	300,440 10½	389,274 25/11	340,686 22/8	48,588 3/3	2½
1914.					
Mar. qr. 100	67,200 11	79,606 23/8	73,943 22/0	5,663 1/8	1½
June qr. 100	68,800 —	82,290 24/8	69,225 20/9	13,065 3/11	1½
July .. 100	22,850 —	29,598 25/11	24,298 21/3	5,300 4/8	1½

Dividends—1913, June, 5; Dec., 2½ per cent.
1914, June, 2½ per cent.

City Deep.—Capital £1,250,000, in £1 shares. 200 stamps and tube-mill accessories, to have a capacity of about 800,000 tons when in full operation.

Year to Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 .. 150	468,400 11½	885,120 37/9	582,130 25/3	292,990 12/8	2½
1914.					
Mar. qr. 150	112,000 4½	213,273 38/0	136,064 24/3	77,219 13/9	3
June qr. 150	125,900 —	246,943 39/2	139,593 22/2	107,350 17/0	3½
July .. 150	43,300 —	79,949 33/11	46,252 21/4	33,697 15/7	2½

Monthly and quarterly profits include net yield from accumulated slimes

Dividends—1913, June, 10; Dec., 7½ per cent.
1914, June, 11½ per cent.

Crown Mines.—Capital £1,000,000, in 2,000,000 shares of 10s. each; issued, 1,880,212. £1,000,000 Five per Cent. Debentures. Milling capacity about 232,000 tons per month. 1913 figures and since include accumulated slimes.

Year ends Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 .. 660	2,195,600 11½	3,248,131 29/7	1,805,658 16/5	1,442,472 13/2	6½
1914.					
Mar. qr. 660	514,000 9½	708,075 27/6	395,568 15/5	312,507 12/1	6
June qr. 660	594,000 —	774,838 26/1	455,839 15/4	318,999 10/9	6
July .. 660	214,000 —	272,369 25/5	162,704 15/2	109,665 10/3	5½

Dividends—1913, June, 55; Dec., 55 per cent.
1914, June, 55 per cent.

Durban Roodepoort Deep.—£440,000, in £1 shares. Three tube mills. Crushing capacity, 25,000 tons a month.

Year to Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 .. 100	291,590 13	420,412 28/10	356,176 24/5	64,236 4/5	1
1914.					
Mar. qr. 100	65,800 10½	88,826 27/0	81,051 24/8	7,775 2/4	1
June qr. 100	78,600 —	111,615 28/4	92,780 23/7	18,835 4/9	1
July .. 100	27,860 —	38,347 27/6	31,883 22/11	6,464 4/7	1

Dividends—1913, June, 5 per cent.; December, nil.
1914, June, 3½ per cent.

Ferrelra Deep.—£980,000, in £1 shares. Mills, 280 stamps and 7 tubes.

Year ends Sept. 30	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912-13 245	647,550 13½	1,343,941 41/6	649,308 20/1	669,214 21/5	2½
1913-14.					
Dec. qr. 245	160,320 11	296,072 36/11	142,404 17/9	153,668 19/2	2½
Mar. qr. 245	158,990 12½	318,604 40/7	141,187 18/0	177,417 22/7	2½
June qr. 273½	176,800 —	321,291 36/4	150,681 17/1	170,600 19/3	2½
July .. 280	62,180 —	107,261 34/6	52,368 13/10	54,895 17/8	2

Profits from accumulated slimes treated are included in profits.
Dividends—1913, March, 25; Sept., 25 per cent.
1914, March, 25 per cent.

Geldenhuys Deep.—Capital, £600,000, issued, 585,753 £1 shares. 300 stamps, 7 tube mills. Capacity, 720,000 tons a year.

Year to Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 .. 300	621,110 13½	945,801 29/1	761,267 24/5	145,534 4/8	1½
1914.					
Mar. qr. 300	133,500 9½	188,403 28/2	160,739 24/1	27,669 4/1	1½
June qr. 300	152,230 —	240,073 27/4	171,775 22/7	68,295 4/9	1½
July .. 300	53,400 —	73,965 27/7	57,284 21/3	15,791 5/11	1½

1913 returns and since include yield from accumulated slimes.

Dividends—1913, June, 10; Dec., 7½ per cent.
1914, June, 8½ per cent.

Goch.—£550,000 in £1 shares; £137,550 Five per Cent. Debentures, July 1, 1913 (£25,075 drawn since); 120 stamps; four tube mills. Sundry revenue, about £2,000 a year, included.

Year to Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 .. 327,600	15	330,420 20/2	285,931 16/3	64,489 3/11	1½
1914.					
Mar. qr. 85,000	11½	94,694 22/3	69,293 16/3	25,404 6/0	1½
June qr. 89,200	—	93,123 21/6	61,014 14/4	32,109 7/2	1½
July .. 30,700	—	32,869 21/5	21,731 14/2	11,138 7/3	1½

Dividends—1911, June, 7½; Dec., 5 per cent. Nil since.

Heriot.—Issued capital £115,000, in £1 shares. One tube mill.

Year to Dec. 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 .. 70	133,123 19½	236,456 35/6	153,844 23/1	82,612 12/5	2½
1914.					
Mar. qr. 70	35,323 14	67,024 37/11	38,197 21/8	28,827 16/3	3
June qr. 70	39,200 —	72,012 36/9	41,074 21/0	30,938 15/9	2½
July .. 70	13,600 —	25,308 38/8	14,274 20/8	11,034 16/0	2½
Aug.	—	—	—	10,097 —	2½

Dividends—1913, May, 35; Nov., 35 per cent.
1914, May, 30 per cent.

Knights Deep.—Capital, 743,526 £1 shares issued £70,600 Five-and-a-Half per Cent. Debentures at July 31, 1913. The Company has taken over the Simmer and Jack East mine. 400 stamps, 11 tubes, capacity 120,000 tons a month.

Year ends July 31	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912-13 375	1,117,121 1½	839,915 15/0	671,050 12/0	168,865 3/0	1½

Year ends Oct. 400	Tons Sort- Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913-14.					
Jan. qr. 400	218,600 —	298,919 13/8	168,370 11/0	40,549 2/8	1½
Apr. qr. 400	218,600 —	194,723 15/8	149,787 12/1	44,936 3/7	1½
May 400	106,200 —	193,742 14/8	162,969 12/4	30,773 2/4	1½
June 400	106,200 —	77,423 14/7	62,355 11/9	15,068 2/10	1½
July 400	95,100 —	72,793 15/3	60,348 12/7	12,445 2/8	1½
12 mos. 400	1,118,900 —	815,708 14/7	659,003 11/9	156,705 2/10	1½

8 Dividends—1912, June, 12½; Dec., 10 per cent.
1913, June, 12½ per cent. on £643,528.
December, 5 per cent. on £743,526.
1914, June, 5 per cent.

BANQUETING

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THE MAGNIFICENT BANQUETING HALL of the SAVOY HOTEL, on a level with the Embankment Entrance, can accommodate 400 at dinner.

The acoustics of the room have received the highest praise, and the cuisine and wines are of the renowned excellence of the SAVOY.

Orders are taken for parties numbering twenty-five and upwards at from 2½s. per head, inclusive of Wines; and at from 10s. 6d. per head, exclusive of Wines.

Menus, Table Plans, Wine List, and all particulars sent immediately, on application to the Manager Banqueting Department, Savoy Hotel.

TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 2, 1914.

Issue Department.		Banking Department.	
Notes Issued.....	£65,501,075	Government Debt.....	£11,015,100
		Other Securities	7,434,900
		Gold Coin and Bullion.....	47,051,075
	£65,501,075		£65,501,075
Banking Department.		Government Securities	
Proprietors' Capital.....	£14,553,000	Other Securities	121,820,692
Reserve	3,717,666	Notes	30,213,315
Public Deposits.....	23,676,828	Gold and Silver Coin	721,637
Other Deposits	133,818,826		
Seven-day and other Bills	13,295		
	£180,779,615		£180,779,615

Comparison with Four Previous Weeks.
[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.	Securities.	Re-serves.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	Govt.		
Aug. 5	36.1	27.6	11.5	58.7	11.0	65.3	9.9
— 12	35.9	33.0	7.9	83.3	23.0	70.8	15.5
— 19	37.2	37.9	13.7	103.1	28.0	94.7	19.2
— 26	35.6	43.5	23.9	123.9	29.8	109.9	26.3
Sept. 2	35.3	47.8	28.7	133.8	28.0	121.8	30.9

* July 31, 1914. † August 1, 1914. ‡ August 6, 1914. § August 8, 1914.

CURRENCY NOTE ISSUE.—The return of currency notes issued and in circulation for the week ending Sept. 2 is as follows:—

I.—Issue Account.

Total issued up to Aug. 26, 1914, inclusive.		Notes cancelled up to Aug. 26, 1914, inclusive.	
£	s. d.	£	s. d.
£1.....	19,931,521 0 0	£1.....	1,662,805 0 0
10s.....	3,369,093 10 0	10s.....	2,748 0 0
Issued during the week ended Sept. 2, 1914.		Cancelled during the week ended Sept. 2, 1914.	
£1.....	2,653,760 0 0	£1.....	475,252 0 0
10s.....	1,449,457 10 0	10s.....	6,544 0 0
Total.....		Total.....	
£27,303,835 0 0		£27,303,835 0 0	

II.—Balance Sheet.

Notes outstanding		Advances—	
£	s. d.	£	s. d.
25,156,486 0 0		Scottish and Irish Banks of Issue	230,000 0 0
		Other Bankers	3,532,700 0 0
		P. O. Savings Bank.....	3,250,000 0 0
		Trustee Savings Bank.....	1,300,000 0 0
		Currency Note Redemption Account.....	10,923,545 17 5
		Balance at Bank of England	5,920,240 2 7
Total.....		Total.....	
£25,156,486 0 0		£25,156,486 0 0	

BULLION.—The Bullion movements at the Bank of England have been as follows:—

Arrivals.		Withdrawals.	
1914.	£	1914.	£
Aug. 27, Thursday...	61,000 U. S. coin. 839,000 bar gold.	23,000 Gibraltar.	
„ 28, Friday	116,000 U. S. coin. 25,000 bars.	Nil.	
„ 29, Saturday	15,000 bars. 55,000 bars.	Nil.	
„ 31, Monday	103,000 U. S. coin. 11,000 U. S. coin.	Nil.	
Sept. 1, Tuesday	23,000 bars. 126,000 U. S. coin.	Nil.	
„ 2, Wednesday			
Total for week ...	1,373,000	23,000	
Net aggregate ...	[1,350,000 influx for week.]		
Sept. 3, Thursday	200,000 U. S. coin. 618,000 bars.	Nil.	
„ 4, Friday	14,000 bars. 41,000 U. S. coin.	Nil.	

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation	£28.7	£29.3	£29.3	£29.4	£35.3
Public Deposits	6.2	9.9	15.9	9.5	28.7
Private Deposits	45.5	41.9	47.1	44.5	135.6
Government Securities	14.2	14.6	13.4	12.4	28.0
Other Securities	27.3	25.3	36.5	27.6	121.3
Reserve	26.5	30.2	31.4	32.2	30.9
Ratio to Liabilities	53.4%	58.10%	49.80%	59.69%	19.04%
Bullion (both Departments).....	36.8	41.5	42.2	43.2	47.3
Money:					
Bank of England Rate	3%	3%	4%	4½%	5%
Bank of France Rate	3%	3%	3%	4%	5%
Rate 3 months' Bills London	2½%	3%	3½%	3½%	4½%
Exchanges:					
Paris Cheque	25 25	25 25½	25 29½	25 24	nom.
Hamburg 3 days	20 45	20 48	20 44½	20 42	nom.
New York 60 days	4 8½	4 83/8	4 83/8	4 82/8	nom.
Bombay Telegraphic Transfers	1/4	1/4½	1/4½	1/4½	1/3½
Prices:					
Consols 2½ % Cash	88½	77½	74½xd	73½xd	69½
French 4½ % Money	98 45	94 67	92 40	90 07	75
Silver, London spot	—	—	—	—	—
Wheat, <i>Gazette</i> average	29/5	31/7	34/10	32/7	36/2
Cotton, M. d. Upland	—	—	—	—	—
Iron, Scotch pig	51/9	52/10½	71/0	61/10½	51/6

ARGENTINA—Gold in Oja de Conversion (at 4s. per peso).		BRAZIL—Gold in Oja de Conversion (at 16d. per milreia).	
1911—June 18	£43,133,118	1914—July 4	£12,281,538
„ 25	42,890,991	„ 11	11,639,831
„ 30	42,600,000	„ 18	11,135,592
July 6	42,029,000	„ 25	10,945,617
„ 14	40,725,375	Aug. 1	10,458,256
„ 18	39,898,202	1913—Dec. 31	20,721,521
„ 30	39,384,533	Feb. 12 (maximum)	26,772,300

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY		Cash.			Ad- vances.		Note Circulation.		Above or beneath + legal max.		Other Securities.		
		Gold.	Silver.	Total.			Amount.						
		£	£	£	£		£				£		
July 7, '14 ...	52,119	12,047	64,166	8,310	94,054		—		2,389		34,570		
July 15, '14 ...	51,868	12,068	84,132	7,934	80,517		+		1,018		32,205		
July 23, '14 ...	51,578	12,141	63,719	7,772	88,740		+		2,479		31,993		
July 23, '13 ...	50,579	10,794	61,373	8,305	80,527		—		1,655		32,720		
July 23, '12 ...	51,631	12,272	63,903	5,062	87,878		+		3,024		30,477		
BELGIUM.		Cash.			Discounts.		Circulation.		Deposits.				
		Gold.	Silver.	Total.									
July 23, 1914...	£10,465	£2,783	£13,228	£26,155	£39,056		£3,452						
July 23, 1914...	10,468	2,241	12,707	33,483	44,768		4,969						
Aug. 6, 1914...	10,977	633	11,610	41,925	51,800		6,263						
Aug. 7, 1913...	9,453	2,770	12,223	27,835	39,460		4,665						
Aug. 8, 1912...	8,076	2,699	10,775	25,865	37,108		4,051						
DENMARK.		Coin and Bullion.		Discounts.		Balance Abroad.		Securities.		Circulation.		Deposits.	
May 30, 1914 ...	£4,557	£4,915	£1,339	£802	£8,737		£240						
June 30, 1914 ...	4,565	5,309	1,102	602	8,679		264						
July 31, 1914 ...	4,352	6,197	786	588	8,693		47						
July 31, 1913 ...	4,163	4,778	1,181	508	8,193		39						
July 31, 1912 ...	4,239	4,589	808	532	7,792		34						
FRANCE.		Cash.			Bills.		Circulation.		Public Deposits.		Private Deposit		
		Gold.	Silver.	Total.									
July 16, 1914...	£183,707	£26,407	£190,114	£ 64,832	£241,787		£11,596		£ 37,181				
July 23, 1914...	164,176	25,584	189,760	61,643	236,476		16,024		37,716				
July 30, 1914...	165,654	25,013	190,667	87,768	276,327		15,302		37,903				
July 31, 1913...	134,489	25,095	159,584	73,616	227,073		15,523		26,297				
Aug. 1, 1912...	131,467	32,071	163,538	51,649	208,587		11,832		25,877				
GERMANY.		Cash.			Loans & Discounts.		Note Circulation.		Above or beneath + legal max.		Deposits.		
		Gold.	Silver.	Total.			Amount.						
July 23, '14...	£67,843	£16,727	£84,570	£40,055	£94,545		+ £22,804				£47,198		
Aug. 15, '14...	75,428	4,085	79,511	230,348	194,097		—				127,588		
Aug. 22, '14...	76,489	3,317	79,806	238,939	199,998		—				130,988		
Aug. 23, '13...	57,884	14,476	72,160	47,274	87,721		+ 15,809				35,163		
Aug. 23, '12...	48,653	17,113	65,766	51,989	79,085		+ 18,056				35,903		
HOLLAND.		Cash.			Dis-counts.		Ad-vances.		Circulation.		De-posits.		
		Gold.	Silver.	Total.									
Aug. 15, 1914 ...	£13,499	£51	£13,550	£15,783	£11,429		£37,117		£2,636				
Aug. 22, 1914 ...	13,510	67	13,577	15,407	11,234		36,574		2,737				
Aug. 29, 1914 ...	13,512	192	13,704	15,009	11,349		37,019		2,513				
Aug. 30, 1913 ...	12,361	734	13,095	5,621	7,075		25,445		28,295				
Aug. 31, 1912 ...	11,910	829	12,739	6,993	6,589		24,622		202				
ITALY.		Cash.		Inland Bills.		Foreign Bills.		Ad-vances.		Securities.		Circulation.	
July 10, '14 ...	£48,200	£18,163	£3,301	£3,518	£8,178		£67,129		£7,890				
July 20, '14 ...	48,333	17,879	3,312	3,127	8,175		66,445		8,182				
July 31, '14 ...	48,456	20,418	3,033	4,601	8,167		69,204		8,887				
July 31, '13 ...	49,337	18,183	2,818	3,447	5,559		66,763		8,381				
July 31, '12 ...	46,103	18,296	2,817	4,310	6,607		68,915		7,833				
N.YORK BANKS.		Loans & Discounts.		Reserve.			Legal Net Deposits.		Circulation.		Surplus Reserve.		
				Specie.	L. Tend.	Total.							
July 18, '14...	£286,310	£81,956	£14,700	£76,656	£294,234		£8,360		£3,098				
July 25, '14...	286,156	63,808	14,892	78,700	295,734		8,348		4,766				
Aug. 1, '14...	285,140	59,994	14,818	74,810	290,918		8,316		2,080				
Aug. 2, '13...	270,992	59,182	14,888	74,068	273,980		9,360		5,574				
Aug. 3, '12...	277,894	58,984	16,332	75,318	285,844		9,108		3,854				
N.YORK TRUST COS.		Loans and Discounts.		Reserve.			On Dep. with O.H. Members.		Total.		Legal Net Deposits.		
				Specie.	L. Tend.						Cash Surplus Reserve.		
July 18, '14 ...	£127,702	£13,149	£1,311	£12,967	£27,427		£96,037		£ 51				
July 25, '14 ...	125,540	13,208	1,410	12,954	27,570		95,709		259				
Aug. 1, '14 ...	126,098	12,683	1,395	12,219	26,297		96,249		Def. 360				
Aug. 2, '13 ...	112,665	11,292	1,312	14,470	27,074		82,477		233				
Aug. 3, '12 ...	130,191	13,277	1,371	14,427	29,075		96,360		194				
NORWAY.		Cash.			Balance Abroad.		F'r'gn Gov. Securities.		Discounts & Loans.		Circulation.		
		Gold.	Silver.	Total.									
Aug. 7, 1914...	£3,091	£1,557	£496	£6,468	£8,369		£1,004						
Aug. 15, 1914...	3,168	1,527	496	6,588	8,088		1,265						
Aug. 22, 1914...	3,118	1,317	496	6,503	7,676		1,258						
Aug. 22, 1913...	2,462	1,778	503	3,901	5,818		397						
Aug. 22, 1912...	2,279	1,230	518	3,510	5,217		505						
RUSSIA.		Cash.			Reserve.		Loans & Discounts.		Circulation.		Total Deposits.		
		Gold.	Silver.	Total.									
Aug. 5, '14...	£171,808	£6,859	£178,667	£7,311	£101,170		£185,978		£11,881				
Aug. 14, '14...	172,167	6,316	178,483	£5,623	120,219		232,108		121,116				
Aug. 21, '14...	172,323	6,041	178,364	62,729	120,486		241,093		105,640				
Aug. 21, '13...	162,092	7,622	169,714	21,837	82,745		147,877		107,257				
Aug. 21, '12...	155,363	8,124	163,487	31,863	59,403		131,823		98,266				
Notes in excess of cash.													
SPAIN.		Cash.			Loans, &c.		Spanish 4 %		Circulation.		Deposits, &c.		
		Gold.	Silver.	Total.									
Aug. 8, '14...	£21,811	£27,937	£49,748	£44,320	£13,778		£79,738		£19,730				
Aug. 14, '14...	21,813	27,463	49,276	45,940	13,778		80,101		20,505				
Aug. 22, '14...	21,815	27,422	49,237	46,628	13,778		79,925		21,032				
Aug. 23, '13...	18,512	29,880	48,392	39,762	13,778		75,343		16,991				
Aug. 24, '12...	17,081	30,180	47,261	39,632	13,778		72,957		18,887				
SWEDEN.		Cash.			Balance Abroad.		Swed. & For. Govt. Secs.		Discounts & Loans.		Circulation.		
		Gold.	Silver.	Total.									
Aug. 8, '14 ...	£5,723	£3,373	£144	£10,503	£15,662		£4,146						
Aug. 15, '14 ...	5,727	2,857	158	10,234	15,372		4,146						
Aug. 22, '14 ...	5,729	2,780	158	9,916	15,126		4,255						
Aug. 23, '13 ...	5,703	3,744	1,264	7,250	11,128		3,047						
Aug. 24, '12 ...	3,409	5,676	1,315	5,488	10,638		2,979						

SWITZERLAND.	Cash.			Discounts & Advances.	Circulation.	Deposits.
	Gold.	Silver.	Total.			
Aug. 7, 1914.	£8,034	£267	£8,301	£12,266	£17,213	£3,280
Aug. 15, 1914.	8,252	270	8,522	12,537	17,431	3,381
Aug. 22, 1914.	8,491	278	8,769	12,663	17,615	3,482
Aug. 23, 1913.	8,757	1,296	10,053	4,520	10,458	2,058
Aug. 23, 1912.	7,136	592	7,728	3,625	10,373	1,863

II.—FOREIGN RATES OF DISCOUNT.

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
Sept. 3, 1914	5 1/2	6 1/2	5 1/2	7 1/2	6 1/2
Aug. 4, 1913	4 1/2	6 1/2	5 1/2	7 1/2	6 1/2
Aug. 20, '14.	Aug. 1, '14.	Aug. 20, '14.	Aug. 3, '14.	Aug. 3, '14.	Aug. 3, '14.
Oct. 31, '12.	Nov. 14, '12.	June 25, '13.	Oct. 16, '12.	Nov. 15, '12.	

Comparison of Market Rates.

Date.	Paris.	Berlin.	New York.	Amsterdam.	Brussels.	Vienna.
July 18, '14	2 1/2-2 3/4	2 1/2-2 3/4	3 1/2-4 1/4	2 1/2	3 1/2	3 1/2
July 23, '14	2 1/2-2 3/4	2 1/2-2 3/4	4 1/2-5	3 1/2	3 1/2	3 1/2
July 30, '14	3 1/2	4	5-5 1/2	Closed	Closed	Closed
Sept. 4, '13	3 1/2	5	5 1/2-8	2 1/2	4 1/2	5 1/2

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—	July 30, '14	July 23, '14	July 18, '14	Sept. 4, '13
Amsterdam	100s. 12d.	120s. 3d.	120s. 2 1/2d.	120s. 2 1/2d.
Antwerp	100s. 25d.	25s. 6d.	25s. 5 1/2d.	25s. 7 1/2d.
Berlin	100s. 20m.	20m. 87pf.	20m. 65pf.	20m. 72pf.
Genoa	100s. 25s.	25s. 65pf.	25s. 68pf.	26s. 02pf.
Hamburg	100s. 20m.	20m. 87pf.	20m. 85pf.	20m. 72pf.
London	100s. 48d.	45 1/2d.	45 1/2d.	44 1/2d.
Madrid	100s. 45 1/2d.	45 1/2d.	45 1/2d.	43 1/2d.
Paris	100s. 24s. 92 1/2d.	25s. 1 1/2d.	25s. 18s.	25s. 26 1/2d.
St. Petersburg	100s. 25s. 38 1/2d.	25s. 38 1/2d.	25s. 38 1/2d.	25s. 52 1/2d.
Vienna	100s. 24 1/2d.	24 1/2d.	24 1/2d.	24 1/2d.

Foreign Rates of Exchange on London, &c.

	Sept. 3, '14	Aug. 27, '14	July 29, '14	Sept. 4, '13
Alexandria	81s. 98d.	81s. 98d.	81s. 98d.	81s. 98d.
Amsterdam	120s. 30d.	120s. 30d.	120s. 30d.	120s. 30d.
Berlin	25s. 6d.	25s. 6d.	25s. 6d.	25s. 6d.
Antwerp	25s. 6d.	25s. 6d.	25s. 6d.	25s. 6d.
Buenos Ayres	90 days	90 days	90 days	90 days
Calcutta	100s. 1s. 3 1/2d.	100s. 1s. 3 1/2d.	100s. 1s. 3 1/2d.	100s. 1s. 3 1/2d.
Constantinople	8 days	8 days	8 days	8 days
Hankow	100s. 1s. 9d.	100s. 1s. 9d.	100s. 1s. 9d.	100s. 1s. 9d.
Italy	100s. 26s. 50d.	100s. 26s. 50d.	100s. 26s. 50d.	100s. 26s. 50d.
Japan	100s. 2s. 0 1/2d.	100s. 2s. 0 1/2d.	100s. 2s. 0 1/2d.	100s. 2s. 0 1/2d.
Madrid	100s. 24s. 50d.	100s. 24s. 50d.	100s. 24s. 50d.	100s. 24s. 50d.
Mexico	100s. 81s.	100s. 81s.	100s. 81s.	100s. 81s.
Montevideo	90 days	90 days	90 days	90 days
New York	100s. 81s.	100s. 81s.	100s. 81s.	100s. 81s.
Paris	100s. 24s. 92 1/2d.	100s. 24s. 92 1/2d.	100s. 24s. 92 1/2d.	100s. 24s. 92 1/2d.
Rio de Janeiro	90 days	90 days	90 days	90 days
Petrograd	3 months	3 months	3 months	3 months
Shanghai	100s. 2s. 3 1/2d.	100s. 2s. 3 1/2d.	100s. 2s. 3 1/2d.	100s. 2s. 3 1/2d.
Straits	100s. 2s. 3 1/2d.	100s. 2s. 3 1/2d.	100s. 2s. 3 1/2d.	100s. 2s. 3 1/2d.
Valparaiso	90 days	90 days	90 days	90 days
Vienna	100s. 24s. 92 1/2d.	100s. 24s. 92 1/2d.	100s. 24s. 92 1/2d.	100s. 24s. 92 1/2d.
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
U. S. Gold coin, 100s.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (925) 100s.	24s. 50d.	24s. 50d.	24s. 50d.	24s. 50d.
Mexican Dollars	27d. nom.	27d. nom.	27d. nom.	27d. nom.

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	In or Out.	1914 Aug.	In or Out.	%
BIRMINGHAM	Aug. 23	1,069,920	130,742	53,947,544	+ 2,481,315	+ 4.8
BABYLOON	" 29	57,000	68,000	24,634,000	+ 886,000	+ 3.8
DUBLIN	" 23	2,482,900	252,200	115,774,200	+ 2,454,700	+ 2.0
LEEDS	" 29	351,773	102,206	17,598,877	+ 492,518	+ 4.7
LIVERPOOL	" 29	189,370	12,288	10,587,523	+ 489,285	+ 4.8
LIVERPOOL	" 29	3,257,362	1,333,913	182,242,819	+ 2,848,396	+ 1.8
MANCHESTER	" 29	3,883,937	2,155,887	232,471,910	+ 13,323,301	+ 5.2
NEWCASTLE	" 29	822,600	199,000	40,654,850	+ 1,230,890	+ 2.3
NOTTINGHAM	" 29	273,373	24,454	12,940,825	+ 890,540	+ 7.4
SHREFFIELD	" 29	337,648	189,823	17,619,703	+ 713,355	+ 3.8
TOTAL	" 29	13,257,438	4,422,207	688,700,351	+ 10,009,198	+ 1.5
WELY. AVER.	1914	19,677,155	303,119			+ 1.5
WELY. AVER.	1913	19,365,571	1,024,933			+ 5.8
WELY. AVER.	1912	18,978,360	948,927			+ 3.3
WELY. AVER.	1911	18,042,979	546,716			+ 6.1

LONDON—		1914.	[000's omitted from the London clearing.								
TOWN.....	Sept.	2	121,871	—	163,988	||	8,439,521	—	197,969	—	21,100
METROPOLITAN	"	2	13,826	—	1,497	||	595,119	—	5,574	—	9,000
COUNTRY	"	2	20,010	—	3,354	||	931,833	—	7,777	—	9,000
TOTAL.....		" 2	155,707	—	168,837	||	10,965,273	—	200,172	—	48,000

The following special items are included in the London clearings:—

STOCK EXCHANGE SETTLING DAYS.			CONSOLS SETTLING DAYS.			"FOURTH" OF THE MONTH.		
1914.	£	+ or -	1914	£	+ or -	1914	£	+ or -
June 28	84,137	+ 4,269	May 8	53,873	+ 2,090	June 4	45,555	+ 11,107
July 10	83,835	+ 16,329	June 2	74,323	+ 2,023	July 4	65,733	+ 9,450
July 28	102,328	+ 15,032	July 1	97,383	+ 22,527	Aug. 7	60,785	+ 14,530
1914 avg.	1,323,914	+ 55,015		515,588	+ 58,093		477,994	+ 23,032

* Compared with a year ago.

V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—

HOMEWARDS.	1914.	1913.	Homewards—continued.	1914.	1913.
Alexandria to Lond. or Hali	9/0	11/9	U.S. Atl. Ports to L.H.B.		
Australia to U.K. or Cont.	30/0	31/0	(cotton)		45/0
Assot to L.H.A.R.		13/8	U.S. to U.K. (gr.)	1/9	3/0
Bombay to pp.	d.w. 18/0	d.w. 23/8	N.O. to U.K. (gr.)	2/0	
Bombay to pp.	30/0	27/0			
Calcutta to pp.	27/8	27/8	Bomb. Cal. Port River St. Vin.		
Sullia to pp.	new charter 12/0	12/0	Year, bay, Omb. Said, Plat, cont.		
Odessa to U.H.A.R.		12/9	1914	10/0	9/8
R. Plate to U.K.	14/0	18/0	1913	12/8	9/0

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	SEPT. 5.	1914.	1913.	1912.
METALS.				
Iron—Scottish pig warrant	ton	51 1/8	81/104	71/0
Middlebrook warrants	ton	51 1/8	55/104	85/1
Hematite warrants	ton	56/0	67/3	78/6
Staffordshire bars, London	ton	29	29	29
Common bars	ton	23	27	23
Stock, Scotch, Sept. 3	tons	1,000	1,005	1,000
Middlebrook	tons	92,652	183,755	284,910
W. O. hematite	tons	Nil	19,895	33,599
Steel Rails	ton	26 15	28 12/8	29 10
Copper—Standard	ton	558 10	272 17/8	279 1/3
Stock, Europe and adost	tons	26,670	28,142	45,893
Tin—English Ingots	ton	nom.	2201	2220
Britaia	ton	nom.	2199	2215
Tipplates—Charcoal I.O.	box	13/3	13/8	15/3
Lead—Soft Foreign	ton	nom.	221	221 15
Spelter—Ord. Foreign	ton	nom.	221 15	226 7/8
Silesian Ordinary	ton	nom.	221 15	225 17/8
Quicksilver—(75 lb.)	bottle	28 15	27 5	28 5
Aluminum	ton	nom.	298	278
Antimony—Regulus	ton	235	229	228
Coal—Best London	ton	90/0	20/6	20/0
Steam (best) Newcastle	ton	14/0	15/0	14/0
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical	wt.	11/3	11/14	11/7 1/2
Soda—Crystals ex ship	wt.	22 2/8	22 5	22 5
Dyes—Coch., Teneriff Silver	lb.	2 0	2/3	1/9
Indigo—Bengal good to fine	lb.	6/8	7/0	3/3
Stock, July 31	obests	818	1,597	1,811
Linseed Oil—spot	ton	228	228 10	234
Linseed—Sept. Oct.	410lb.	nom.	48/0	82/8
Olive Oil—Spanish	ton	nom.	248	250
Palm Oil—Lagos	ton	nom.	237	233 10
Petroleum—American	galion	nom.	7/8	7/4
Rape Oil—Refined English	ton	29/9	233	234
Tallow—Brit. Town	wt.	34/0	35/0	33/9
Stock, July 31	casks	11,433	17,330	11,719
Turpentine—Amer. Spirit	wt.	34/0	30/3	30/7 1/2
Rape Seed—Owpre, brown	410lb.	nom.	49/0	50/6
Rubber—Para, spot	lb.	2/10	3/7 1/2	4/11 1/2
Vina plantation	lb.	2/14	2/7	4/9
World's Stock, July	tons	11,021	8,559	7,313
TEXTILES.				
Cotton—Mid. Upland	lb.	-6/80	-7/40	-6/83 1/2
—Egyptian good fair	lb.	-7/90	-7/80	-7/91
—Pernambuco, fair	lb.	-6/73	-7/43	-7/05 1/2
—Mid. Upl. N. York	lb.	10/0	13/25	11/80
Stock, Liverpool, Aug. 21	bales	690,050	572,180	591,803
Flax—Petrograd Yarpol	ton	nom.	232	232
Hemp—New Zealand	ton	228	232 10	227 10
Manila, fair	ton	228 10	232 10	232 10
Jute—First Marks	ton	235 10	233	223 7/8
Red 800	ton	232	230 5	230 5
Silk—Hine Elephant	lb.	11/8	10/9	10/3
Wool—Frt. Philip on wadd. av.	lb.	-11/1	-1/0	-11/1
FOODSTUFFS, &c.				
Wheat—Vlasop, N.Y. Aug. 24	bu.	33,214,000	45,419,000	18,833,000
Red, price, N. Y. 60lb.	bu.	124	97 1/2	105 1/2
Gaselle, avar. price	480lb. qr.	36/2	32/7	34/10
Flour—Lond. White ex Mill	280lb.	37/8	34/0	39/8
Sarley—Gas, avar. price	400lb. qr.	30/0	29/0	21/8
Hops—English	wt.	28 5	25 10	21/2
Oats—Gas, avar. price	312lb. qr.	23 5	17/10	29/3
Hay—Best	2,018lb. load	87/0	95/0	105/0
Maize—N. Y. (New bushel)	56lb.	90/0	85/0	61/0
Rice—Imports since Jan. 1	tons	19,187	9,302	13,533
Deliveries do.	tons	12,843	11,192	6,332
Stock	tons	11,039	5,495	8,533
Price, Baseline	cwt.	6 10/4	7/11	10/10
Bacon, Irish	wt.	85/0	90/0	70/0
Butter, Danish	wt.	128/0	134/0	128/0
Cocoa, Trin. mid. to dnered	wt.	59/0	61/0	73/0
Grenada, good to fine	wt.	54/6	58/0	61/0
Coffee—Imports since Jan. 1	tons	24,271	34,422	24,522
Home consumption do.	tons	10,800	13,397	11,429
Exports do.	tons	18,528	10,321	10,633
Stock	tons	24,423	15,181	13,339
Price Costa Rica gd to fine	wt.	80/0	89/0	65/0
—Brazil (Santos)	wt.	80/0	89/0	62/9
Sugar—Impts. since Jan. 1	tons	498,957	643,839	534,800
Deliveries do.	tons	532,308	678,173	553,590
Stock	tons	65,982	128,538	87,271
Price Java, 98% O.C.	wt.	10/6	11/9	12/3
—Best, 88% July	wt.	8 1/2	8 1/2	12 1/2
—French leaves, Say's	wt.	14/1	14/1	13/10
Tea—Imports (for 7 mths.)	lb.	157,624,299	144,035,254	143,370,920
Home consumption do.	lb.	183,734,893	175,810,093	183,173,273
Exports do.	lb.	30,472,798	31,763,732	25,781,107
Stock, July 31	lb.	80,087,000	72,655,000	73,297,000
Price, Indian, Pak. Song, good lb.		-8/4	-8/4	-7/4

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS, 17 HOME RAILS, 31 WEEKS TO AUG. 2.

[In £'s sterling 000's omitted.]	Mileage			Passenger			Freight			Total		
	AUG. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Caledonian	1,149	—	£1,226	+ 33	£1,753	+ 58	£3,024	+ 25	—	—	—	—
Glasgow & S.W.	471	—	555	+ 10	619	+ 23	1,174	+ 13	—	—	—	—
Great Central	863	+ 1	770	+ 29	2,112	+ 110	12,882	+ 81	—	—	—	—
Great Eastern	1,207	—	1,852	+ 1	1,530	+ 7	3,382	+ 10	—	—	—	—
Great Northern	1,032	—	1,605	+ 7	2,302	+ 17	3,907	+ 12	—	—	—	—
Gt. S. & W. (Ireland) ..	1,130	—	442	+ 4	460	+ 23	902	+ 27	—	—	—	—
Great Western	2,984	+ 18	4,255	+ 90	4,701	+ 12	8,958	+ 102	—	—	—	—
Lanc. & Yorkshire	600	+ 3	1,678	+ 4	2,024	+ 119	3,700	+ 115	—	—	—	—
London & N.W.	2,034	+ 31	4,217	+ 50	5,150	+ 161	9,367	+ 101	—	—	—	—
London & S.W.	984	—	2,061	+ 5	995	+ 7	3,056	+ 12	—	—	—	—
Lon., Brighton & S.C.	487	—	1,616	+ 4	503	+ 1	2,019	+ 5	—	—	—	—
Midland	1,584	—	2,878	+ 40	5,289	+ 124	8,167	+ 84	—	—	—	—
North British	1,375	—	1,178	+ 20	1,843	+ 43	3,019	+ 23	—	—	—	—
North-Eastern	1,753	+ 2	2,270	+ 66	4,219	+ 149	8,489	+ 83	—	—	—	—
North London	16	—	98	+ 10	144	+ 6	242	+ 18	—	—	—	—
S.E. & Chatham Rys.	654	—	2,299	+ 1	695	+ 6	2,994	+ 49	—	—	—	—
Total for 31 weeks '14	18,126	+ 25	28,938	+ 338	34,344	+ 814	63,280	+ 478	—	—	—	—
Total for 31 weeks '13	17,916	+ 44	28,209	+ 1,702	34,861	+ 3,724	63,070	+ 6,426	—	—	—	—
31st wk. to Aug. 2, '14	18,126	+ 25	1,658	+ 19	1,121	+ 30	2,779	+ 49	—	—	—	—
31st wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 38	1,140	+ 31	2,795	+ 85	—	—	—	—

HOME.	Week to	Miles	+ or -	Gross	+ or -	Wks	+ or -	Total.
Barry	—	68	—	—	—	31	510,174	5,753
Brec. & Mer.	—	61	—	—	—	31	86,923	+ 142
Caledonian	—	1,149	—	—	—	31	3,024,000	25,000
Cambrian	—	300	—	—	—	31	193,872	+ 2,300
Central Lond.	—	7	—	—	—	31	153,118	+ 2,378
City & S.Lond.	—	7	—	—	—	31	82,703	+ 6,243
Furness	—	139	—	—	—	31	323,601	+ 16,834
Glasg. & S.W.	—	471	—	—	—	31	1,174,200	+ 12,600
Gt. Central	—	811	+ 1	—	—	31	3,449,600	83,500
Gt. Eastern	—	1,207	—	—	—	31	3,382,200	+ 2,700
Gt. N. of Scot.	—	336	—	—	—	31	316,640	+ 7,230
Gt. Northern	—	1,032	—	—	—	31	3,907,300	+ 10,000
Gt. N. (Ire.)	Aug. 28	661	—	24,085	- 1,450	35	778,785	+ 6,015
Gt. S. & W. (Ire.) ..	Aug. 28	1,130	—	35,467	- 2,101	35	1,044,628	+ 29,464
Gt. Western	—	2,984	+ 18	—	—	31	8,956,000	+ 102,000
Highland	—	492	—	—	—	31	346,876	+ 12,237
Hull & Barnsley ..	—	80	—	—	—	31	433,841	+ 46,319
Lanc. & York.	—	600	+ 3	—	—	31	3,700,350	+ 114,800
Lond. & N.W.	—	2,034	—	—	—	31	9,367,000	+ 101,000
Lond. & S.W.	—	984	—	—	—	31	2,058,400	+ 11,700
Lond. Brighton ..	—	487	—	—	—	31	2,019,433	+ 5,786
Lond. Electric	—	211	—	—	—	31	432,635	+ 1,800
Mary. & Car.	—	421	—	—	—	31	60,402	+ 11,331
Mersey	—	82	—	—	—	31	69,071	+ 289
Metropolitan	—	25	—	—	—	31	568,061	+ 42,280
Met. District	—	82	—	—	—	31	406,451	+ 353
Midland	—	1,584	—	—	—	31	8,167,000	+ 84,000
Mid. Gt. W. (Ire.) ..	Aug. 28	538	—	12,020	- 1,172	35	427,284	+ 9,516
N. British	—	1,375	—	—	—	31	3,019,600	+ 22,500
N. Eastern	—	1,753	+ 2	—	—	31	6,489,000	+ 83,000
N. London	—	18	—	—	—	31	242,395	+ 18,438
N. Staffordshire ..	—	207	—	—	—	31	620,160	+ 17,970
Port Talbot	—	361	—	—	—	31	97,277	+ 3,692
Rhond. & Swan.	—	31	—	—	—	31	77,775	+ 2,351
Rhymney	—	501	—	—	—	31	228,812	+ 8,715
S.E. & Chatham	—	654	—	—	—	31	2,094,348	+ 6,997
Taff Vale	—	124	—	—	—	31	644,099	+ 9,580

INDIAN.	Month	Days	Miles	+ or -	Gross	+ or -	Wks	+ or -	Total.
Assam Bengal	July	25	851	+ 45	1,200,000	+ 16,463	17	20,76,885	+ 2,90,838
Bengal & N.W.	July	25	2,028	- 2	3,62,040	+ 55,093	17	73,51,290	+ 3,85,127
Beng. Nagpur	July	25	2,678	+ 107	5,98,000	+ 44,000	17	1,31,26,000	+ 87,000
Bomb. Baroda	Aug.	29	2,827	+ 53	8,66,000	+ 80,000	22	2,53,47,000	+ 4,66,000
Burma	July	25	1,342	—	3,74,989	+ 62,710	17	75,18,209	+ 7,89,804
East Indian	Aug.	29	2,720	+ 11	18,70,000	+ 92,000	22	4,42,26,000	+ 16,23,000
East Indian Pen.	Aug.	29	2,955	—	10,59,100	+ 3,19,800	22	3,33,03,814	+ 9,89,345
Madras & S.M.	Aug.	1	3,132	—	7,15,000	+ 33,670	18	1,59,16,656	+ 6,71,722
Nizam's Guar.	Aug.	1	797	—	1,45,197	+ 17,191	17	39,62,308	+ 3,12,398
South Indian	Aug.	1	1,752	+ 3	5,23,662	+ 35,294	18	1,04,03,113	+ 4,95,508
South. Punjab	M.of Apr.	790	—	—	4,27,723	+ 1,53,643	11	—	—

COLONIAL.	Month	Days	Miles	+ or -	Gross	+ or -	Wks	+ or -	Total.
Can. Northern	Aug.	31	4,670	+ 354	3,386,200	+ 186,800	8	9,962,000	+ 791,600
Can. Pacific	Aug.	31	12,227	+ 586	2,154,000	+ 352,000	7	16,593,000	+ 2,679,000
Gd.Trk. Pacific	Aug.	21	1,104	—	223,602	+ 1,457	7	152,003	+ 24,667
Grand Trunk	Aug.	31	4,008	—	262,571	+ 32,544	8	1,609,567	+ 139,440
Grd.Trunk W.	Aug.	31	336	—	47,609	+ 4,705	8	265,521	+ 5,986
Det. Grd. Ha.	Aug.	31	189	—	15,373	+ 1,479	8	92,935	+ 6,343
Mashonaland	M.of June	751	—	—	58,023	+ 18,659	9	546,118	+ 59,756
New Cape Cent.	Aug.	1	205	—	1,457	+ 473	31	57,400	+ 4,585
Rhodesia Rlys.	M.of June	1,397	—	—	80,360	+ 8,078	9	722,704	+ 63,711

Arg. N. East	Aug. 26	667	+ 2	£ 5,000	—	2,014	9	43,270	—	19,828
Arg. Transand	Aug. 15	111	—	£ 270	—	1,180	7	2,150	—	5,490



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The Statist.

LONDON, SATURDAY, SEPTEMBER 5, 1914.

THE RESTORATION OF CREDIT.

FRESH GOVERNMENT ACTION.

THE following official statement was issued last night from the Treasury:—

"The breakdown of the foreign exchanges has caused, and is still causing, very great inconvenience to traders throughout the country, and strong representations have been made to the Chancellor of the Exchequer upon the subject. It has been pointed out to him that the dislocation of exchange is exercising an extremely prejudicial influence upon trade generally, and especially upon the foreign trade of the country, and that in the absence of the usual exchange facilities goods can neither be imported nor exported in any appreciable quantity. To ascertain the causes and to find a remedy for the difficulties in obtaining international exchange the Chancellor of the Exchequer consulted a large number of leading traders, members of accepting houses and bankers. After a series of conferences at the Treasury the Chancellor of the Exchequer now wishes to announce that an arrangement has been arrived at which is designed to remove the difficulties.

The main features of the arrangement may be summarised as follows:—

(1) The Bank of England will provide where required acceptors with the funds necessary to pay all approved pre-Moratorium bills at maturity. This course will release the drawers and endorsers of such bills from their liabilities as parties to these bills, but their liability under any agreement with the acceptors for payment or cover will be retained.

(2) The acceptors will be under obligation to collect from their clients all the funds due to them as soon as possible, and to apply those funds to repayment of the advances made by the Bank of England. Interest will be charged upon these advances at 2 per cent. above the ruling Bank rate.

(3) The Bank of England undertakes not to claim repayment of any amounts not recovered by the acceptors from their clients for a period of one year after the close of the war. Until the end of this period the Bank of England's claim will rank after claims in respect of post-Moratorium transactions.

(4) In order to facilitate fresh business and the movement of produce and merchandise from and to all parts of the world, the Joint Stock Banks have arranged, with the co-operation, if necessary, of the Bank of England and the Government, to advance to clients the amounts necessary to pay their acceptances at maturity where the funds have not been provided in due time by the clients of the acceptors. The acceptor would have to satisfy the Joint Stock Banks or the Bank of England both as to the nature of the transaction and as to the reason why the money is not forthcoming from the client. These advances would be on the same terms as regards interest as the pre-Moratorium bill advances.

The Government is now negotiating with a view to assisting the restoration of exchange between the United States of America and this country."

Treasury Chambers, S.W.,

4th September, 1914.

GERMANY'S STAYING POWER.

Our own staying power depends upon whether the British Navy will be able, as we trust and believe it will, to maintain supremacy at sea. During our war with revolutionary France a hundred years ago we kept up the conflict for very nearly a quarter of a century; and assuming, as we trust we may, that we shall retain command of the sea, we are in a position to carry on the present struggle for as long a time. Apparently, Germany is not in a position to wrest from us the command of the sea. At all events, the seas up to the present time have been swept clear by our Navy, and the great German Battle Fleet has not ventured to try conclusions with it. That being so, we make the assumption that we shall retain command of the sea, and we propose to inquire how long it is likely that Germany will be able to continue the contest under such conditions. Manifestly, there are strong economic considerations, as well as strategic, compelling Germany to endeavour to strike down France before Russia can bring to bear its full strength against her. If Germany has to fight great military Powers both on her east and on her west she will not merely be between the hammer and the anvil, but it is extremely likely that the war will be spun out for a time so long as is likely to exhaust her. At the beginning of this week it was stated that Germany had called out the last of the *Landsturm*. If the telegram conveying that intelligence be true she already finds it necessary to call up all men legally liable to military service. Of course, there is a large body of men who have never passed through the mill, and who, therefore, can be called up and made use of during the conflict. Everybody will recollect how large was the

German
Efforts up to
the Present.

addition made to the army with the colours by the German Act of last year. And in preceding years the surplus never called up and properly trained must, likewise, have been very large. There can be no reasonable doubt, therefore, that if put to it Germany can augment her forces in the field very materially, and that she can go on filling up the gaps made by death, wounds, and disease for a considerable time. The new men, however, will be very inferior to the fully trained men that are now with the standards. As the latter are thinned off the untrained that will be called up will probably not be better than the mobiles which continued the war of 1870 on behalf of France after the investment of Metz and the surrender of Sedan. On the other hand, it is certain that only a portion of the Russian forces has been brought up. Consequently, the pressure of Russia upon Germany will steadily increase for some months to come. Furthermore, we have sent to Belgium and France up to the present only a very small force comparatively. As reinforcements are received from India and the self-governing Dominions our Army in the field will be augmented, and as the Territorials and the new armies now being enlisted are organised and drilled we shall be able to go on increasing the help we give to our Allies very materially. Thus the pressure both of Russia and of the British Empire upon Germany will tend steadily to grow more severe as the weeks and months pass; while, as has just been pointed out above, the new levies of Germany will be less and less efficient than the men now actually fighting. As a set-off to this it is to be borne in mind, in the first place, that Austria-Hungary is fighting for its life, and that it may be able to offer to the Russians a stronger and a more prolonged resistance than hitherto has been thought likely. A considerable majority of the subjects of the aged Emperor Francis Joseph is Slav, and with the exception of the Poles most of these are discontented with their lot. Many of them probably would not have risen in rebellion if peace had been maintained. But it is reasonably certain that the Serbs, the Croats, and the Ruthenes will welcome the Servians and the Russians. It may even turn out that some of the forces of those nationalities will show themselves unwilling to fight their kinsmen. The war was begun by Austria-Hungary for the express and avowed purpose of humiliating and crushing Servia. The motive cannot be expected to be agreeable to any of the Slav subjects of the Monarchy. Therefore it does not look very likely that Austria-Hungary will be in a position to offer a dogged resistance. If the Russian victory at Lemberg is as complete as is reported, it will give an opportunity to the most discontented of the Slavs to rise against their oppressors. It is quite possible, therefore, that we are about to see an utter breakdown of the resistance of Austria-Hungary. At the same time it is right to point out that it looks as if France has been unable to bring into the field anything like as large a force as was generally anticipated. On the strength of official figures it was estimated that France could call up in such a conflict four millions of men. Nowhere, however, does she appear to have been able to oppose an equal force to the German attack. It has been notorious for years that the policy of Germany was to rush through Belgium and to strike down France before Russia could come to her help. Yet France has not been able to parry the blow with so strong an opposing force as would keep the enemy out of France itself. Either, therefore, the preparations of France have not been as ample as everybody supposed them to be, or else the stationariness of the population has made it impossible for France to meet the invader with equal numbers. It looks, then, as if not only Germany, but France and Austria, have put forth very nearly their full strength, and that their efforts in the future must necessarily be less telling than hitherto.

The actual population of Russia is not known. Probably it is not less than 150 or 160 millions. Taking the smaller of these figures, it will be seen that the population is very much larger than the aggregate populations of Germany and Austria-Hungary. Consequently, if we confine ourselves to mere numbers it ought to be possible for Russia to bring forces to bear considerably larger than those of Austria-Hungary and Germany, even if France was so weakened as to be unable to play any important part. Of course, we all hope that as France has not suffered a decisive defeat she will be able to protract the struggle for a very long time; that her generals will not shut up any considerable force in the fortresses, but

Can Germany will keep the field and so be prepared to Hold Out for take every advantage of the foe. In 1870 Two Years? war came nearly as quickly as it came this time. France was unprepared; her

Emperor was in a bad state of health; and those surrounding him were not qualified to organise a proper resistance. Moreover, the Commander-in-Chief in the field was not sincerely loyal to France. He shut himself up in Metz with the only army really efficient. A second, much less efficient, was surrounded and surrendered at Sedan. After that the forces opposed to the Germans were, in Bismarck's phrase, little better than "men with muskets." Now France, assisted by England, has a very large army; and if she keeps that free and contests every inch of ground it will hardly be possible for Germany to capture any great fortress. Fully to invest Paris would require a force which she cannot afford. While merely to mask it would do little good. France, therefore, ought to be able to continue the struggle as long as will be necessary. Meanwhile, the Russian multitudes will be coming up; and will largely outnumber the armies of both Germany and Austria-Hungary, even if the Slavs of the latter country do not rise. If France does not shut up her armies in fortresses the Germans will have to fight for every inch of ground they occupy. Consequently, they will not be able to draw upon extensive French districts for provisions, nor will they be able to levy contributions upon the towns. It is important from the point of view of the Allies that Germany should not be allowed to draw upon the wealth of France. If she is not so allowed she will have to be very careful to keep up her communications through hostile Belgian and French territory. Consequently she will need to have very large forces guarding her communications. That being so, her struggle with France will make it necessary for her to employ a very large proportion of her whole armed force in the latter country. It is a necessary consequence that she will be weaker by so much in the resistance she can offer to Russia. Russia itself is a poor, undeveloped country, with comparatively few railways. It will be very costly and very tedious to bring up everything she requires and keep the men in the field properly supplied. It may be thought, therefore, that while she is in an immense superiority numerically, she is not in a position to bring to bear her strength fully upon her foe. It is to be recollected, however, that both France and England can lend to her the sums that may be necessary. In the Crimean war both France and England were hostile. Austria-Hungary, though not actually hostile, still was in occupation of the Danubian Provinces. Prussia alone of the Great Powers was friendly. Now Russia is fighting in alliance with France and England, and, therefore, can obtain the financial assistance that may be requisite. There will not be the breakdown which was witnessed in the attempt to reinforce the garrison of Sebastopol; while every day Austria-Hungary and Germany will grow more enfeebled. Germany is a very rich country. She has made wonderful progress during the past hundred years. But her military system, as has just been seen, exacts from her practically all the able-bodied male population. Will it be possible for her to feed her whole people under these conditions? Her

shipping has been swept from the seas. Her finances have been thrown into disorder. Her credit has been put out of gear. She is dependent upon neutral countries like Holland and Italy for communication with the outside world. It looks as if she has already called up the four millions of men with which she is credited. Probably she will soon have to call up less trained recruits. If so, we ask again, Will it be possible for her to continue the struggle for two campaigns? According to the "Accounts Relating to the Trade and Commerce of Certain Foreign Countries and British Possessions," the imports of all kinds into Germany in 1913 amounted to very nearly 526 millions sterling. In the preceding year they were a little less, but practically there was slight change. The exports, however, increased materially in 1913, when they amounted to not far short of 495½ millions sterling. We take intentionally the year 1913 because it was a year of great commercial and financial depression in Germany, owing, firstly, to the withdrawal by the French banks of the balances they had been employing in that country in consequence of the Agadir incident, and because of the Balkan war which followed so soon after. Therefore trade was depressed, and we purposely choose a year of depression to show how great a business the country did even at such a time with the rest of the world. If the whole male population capable of bearing arms between 18 and 45 or 50 years are called up, must there not be a stoppage of far the greater part of this immense trade? And if there is, will it be possible for the conflict to be continued? The war broke out at the very beginning of August. As the time was chosen by the Governments of the two Central European Powers we must suppose that their preparations for it were well advanced. If so, it is hardly probable that the harvests either in Germany or in Austria-Hungary were got in before mobilisation began. Since then only women, old men, and boys have been available. Employers and employed of all classes and conditions have to serve. Whole industries, therefore, are paralysed. That being so, is it possible that Germany can continue the struggle for two years? Such a question must constantly present itself to every man occupying a responsible position in the country. Therefore it is easy to understand that it is felt by the military authorities to be indispensable to become actually reckless in the hope of striking down France before Russia's full strength bears down upon them.

THE FINANCIAL OUTLOOK.

It is matter for general congratulation that the Government has decided to continue for another month the moratorium. As we pointed out last week, the recovery after the shock of the declaration of war had not been sufficient to justify a termination of the moratorium. We may add that the measures taken, though most excellent in themselves and highly beneficial, had not been quite sufficient. There is much still to be done to re-erect the fabric of credit. To speak quite frankly—for frankness is necessary in the position in which we find ourselves now—our banking system, just like our military system, is upon its trial in this grave crisis. For years past it had often been pointed out that the Central European Powers, and more particularly Germany, if they made up their minds to plunge into a world-wide war, would do their utmost to injure the credit of this country and disarrange its immense trade. Yet although the restlessness of Germany had been forced upon the attention of all thoughtful persons ever since the defeat of Russia in Manchuria, our bankers were taken completely by surprise, and our banking system broke down. We do not say this for the purpose of recrimination, or to hold up our bankers to censure. Our real object is to warn them that they have to

justify themselves before public opinion. In spite of all warning, they did not make sufficient preparation, and though the war crisis has now lasted nearly six weeks, they have not altogether adopted a right policy. We would, then, earnestly impress upon our banking friends that if they do not bestir themselves the public will become impatient, and will insist that the Government shall take action which will not be pleasing to our bankers. While we urge this thus strongly, we are happy to say that the really well-managed banks are doing very much better, that trade is receiving a fair amount of accommodation, and that there is a marked improvement in almost every direction compared with two or three weeks ago. But we are sorry to say that the less well-managed banks are not following the example set by the really well-managed, and in some cases are acting in a manner not only contrary to the public interest, but contrary even to their own. They have not recovered from the alarm into which they were thrown by the outbreak of the war, and they are availing themselves of the moratorium in a way which clearly was never intended. The Chancellor of the Exchequer has been at pains to explain more than once that his object in granting a moratorium was to make it easy to carry on the trade of the country; that above everything he desired that employment should be as full as possible; that, therefore, all necessary accommodation should be given to employers; and that it was only indirectly that the banks were intended to benefit. Yet a minority of the banks are taking advantage of the moratorium not merely to inconvenience trade, but in great measure to strangle it. For example, we have heard of one case in which an Anglo-foreign bank had in its possession a considerable sum of cash to the credit of a mercantile firm, one of its customers, while the only advance made by the bank to the customer was to the equivalent amount of the sums received. In addition to this, the bank held for collection documentary drafts of ten times the amount of the loan made by it. Yet it refused either to make a further moderate loan or to pay out actual proceeds received on behalf of the mercantile firm, on the ground that those receipts were required as cover for the existing loan. Such action cannot be too strongly reprobated. It, as far as it goes, tends to militate against the policy of the Government. It is calculated, moreover, to seriously injure the credit of merchants. And it is likely to result in such inconvenience as may seriously hamper trade. We would, then, appeal once more to all acceptors of bills to recognise the grave responsibility which rests upon them. We are engaged in the most dangerous struggle which we have had to face, at all events, since the days of the Great Napoleon. Nobody can foresee how long the conflict will last, or how immensely it may tax all our resources. The young men of all classes are coming forward with characteristic public spirit, and are ready to give their lives for their country. Large numbers of Territorials have already volunteered for the front. The first army of 100,000 men demanded by Lord Kitchener has been enlisted. The second army of the same number probably will have been secured when these lines meet the eyes of our readers. The well-managed banks everywhere have recovered courage, and are acting as the exigencies of the time require. Therefore, we would again urge upon the acceptors of bills the need for performing their duty. It is incumbent upon all of us, without exception, to do what we can to assist one another, so that there may be no material decline in the production of the country; that provisions of all kinds may be cheap and abundant; and, above everything, that there shall be full employment at fair wages for every man and woman willing to work. In order that this may be accomplished it is absolutely necessary that the banks should discharge the duties which rest upon them. They are given very considerable privileges by the law

Blameworthy
Action.

on the express condition that they fulfil their duties. If they fail to do so, it will be necessary for Parliament to step in and to take such measures as may be required to prevent injury being done to the nation.

If acceptors of bills, whether bankers or merchant-bankers, will consider the matter calmly, they cannot fail to be convinced that in accepting real bills with bills of lading and the like annexed they are running no unusual risks. Our Navy is keeping the seas free. There will, of course, be an occasional loss. But up to the present, although we were taken unprepared, the losses have been so few that we are justified in assuming that they will be still fewer in the future. The trade of the country, therefore, with oversea countries will be maintained. And, notwithstanding the exclusion of the two great Central European empires, the world is large enough and rich enough to continue an immense and a very profitable trade. After a while, too, business will become normal. The trading public will recover courage. Credit will be restored. The neutral countries will pay to us the debts due to us. And those who at the beginning were inclined to hoard will see the foolishness of doing so. Gold as well as notes will be easily obtainable, and then there will be no more serious defaults, in all probability, than are to be expected even in times of peace. War, no doubt, has its risks for the trader. But, also, it has its profits. And it has its opportunities likewise. Consequently, we expect that the trade of the country after a little while will become more active than most people anticipate, and we should not be surprised to find that it proved highly profitable.

Probable Small Losses. We refer elsewhere to the probability which exists that money will become both plentiful and cheap. We need only add here that if it does it will further stimulate trade; while if the more active, the more intelligent, and the more enterprising traders take advantage of the present opportunity to win for themselves a portion of the trade lost by Germany, the whole business of the country will be augmented, and the losses, compared with the profits, will be small. If, then, the acceptors of bills of every kind throw off their apprehensions, recognise their duties, and make up their minds to show the same firm front to the enemy which is being presented by the rest of the community, no real apprehensions need be entertained. Not only shall we win through, but we shall win without heavy losses, except, unfortunately, in life. When the banks and the acceptors of bills of all kinds resume work on the scale intended by the Government when it took upon itself such grave responsibilities as it has done, there will remain other matters to be arranged. Not the least of these is the question of how best to deal with the Stock Exchange. We shall not to-day, however, enter upon a consideration of that. It is exceedingly important—it is even urgent—that the Stock Exchange should be reopened as soon as is safe. Nevertheless, it can wait until the more important matters are thoroughly dealt with. Of these, far and away the most important is that the banks should give accommodation to all persons engaged in business just as they gave it in times of peace, and that acceptors of bills, whether bankers or others, should carry on the business they profess to carry on as in normal times. Our first duty, of course, is to defeat the enemy who has attacked unoffending nations wantonly and wickedly. But while we are engaged in punishing him for the outrages he has inflicted upon humanity, it is equally urgent that we should protect our own people, and more particularly, the poorer amongst our own people, from the sufferings which war is too likely to bring upon them. For that purpose it is indispensable that the banks, to whom has been entrusted the duty of providing with financial accommodation the great producing classes, should carry out that duty fully, faithfully, and unswervingly. If at home the

banks give to all employers of labour the accommodation which the latter require and ordinarily receive, they will be in a position to keep their works going, and, therefore, not only to avoid dismissing work-people, but to keep up the rate of wages. Not less indispensable is it that the acceptors of bills should continue to accept, for we cannot carry on trade with oversea countries until they do so. Lending and discounting, receiving and paying out deposits, and accepting bills and collecting moneys are the first and most urgent work before the business community. We warn our City readers that if there is continued neglect of these indispensable duties, measures will be taken which will not be pleasant to those who may be concerned.

PROGRESS OF THE WAR.

THE two outstanding events of the week, so far as the theatre of war is concerned, are, firstly, the apparently decisive victory of the Russians at Lemberg and the near approach of the Germans to Paris. In the first of these the Russians seem to have almost completely broken down the fighting power of Austria-Hungary. Seventy thousand prisoners, we are told, were captured with 200 great guns. The defeated army seems to have been actually routed. And the city of Lemberg, the capital of Galicia, fell as a prize to the victors. As four Austro-Hungarian army corps had previously been reported to have been defeated by the Servians, and as in this week's battle five army corps have been routed, it looks as if nine out of the sixteen army corps have been practically broken up. It will be well not to be too sanguine as to the decisiveness of all this. It is possible that the defeated army may be so largely reinforced that it may be able to make a further vigorous stand. But, bearing in mind the widespread disaffection amongst the majority of the people of Austria-Hungary, it does not seem probable that this will occur. In any event, the calculations of the German Government have again been proved baseless. It is understood that they hoped that the Dual Monarchy would be able to oppose such a formidable resistance to the oncoming Russians as to prevent them from making a serious attack upon the road to Berlin until the German Army should be set free by the capture of Paris. Apparently the affair at Lemberg has shown all this to be a complete miscalculation, and it will be surprising if the German Army in France has not to be weakened in order to protect its own capital. Meanwhile, the Germans have succeeded in compelling the French and British armies to retreat step by step through Belgium and Northern France to the near neighbourhood of Paris. The French Government has wisely evacuated Paris and taken up its residence at Bordeaux, where it will be in free communication with every part of France not in actual occupation by the enemy. While full credit must be given to the German Great General Staff for accomplishing so much in so short a space of time, it would be a mistake to attach too much importance to it, or to infer that the German policy will succeed. Unquestionably what is proved is that the preparations of the Germans were very complete when they decided upon war, for in five short weeks, in spite of the heroic resistance offered by Liège, they have forced their way through Belgium, fought numerous desperate battles, and compelled their opponents to retreat again and again to the near neighbourhood of the French capital. All this, it is true, has been effected by the sacrifice of multitudes of human lives so great as to be appalling to think of. But it has been accomplished. And truth compels us to admit that the Great General Staff has carried out so far what it undertook. Whether the price paid has not been too great remains to be seen. Still more doubtful is it whether the risk incurred has not been altogether out

of proportion to the advantages gained. It is certain that in spite of the continued retreat of the French and British armies there is a more confident feeling at the close of the week than there has been hitherto amongst those in the best position to understand what is going on, from which it is to be inferred not only that the victory of Lemberg puts it in the power of the Russians to bring great pressure to bear upon Germany, but that the French and British armies have been, and are being, reinforced, and are so confident in their own strength that those most competent to judge believe the circumstances are now more favourable to the cause of right and free government than they have been since the outbreak of the war. This gratifying view is confirmed by the Prime Minister in his great speech at the Guildhall yesterday. In the course of it he declared that "in regard to the general situation at the seat of war, in whatever direction one looks, there is abundant ground for pride and comfort. We have two of the greatest Powers in the world as our Allies, while our Expeditionary Force has never been surpassed, not only in material equipment, but in the physical and moral qualities of its constituent units." Lastly, we possess the greatest Navy the world has ever seen, which is keeping cooped up in port the fleets of our enemy.

MORATORIUM EXTENSION.

On September 1 a Royal Proclamation was published extending the moratorium to October 4.

On August 19 a Government circular was issued on behalf of the Chancellor of the Exchequer, who desired to ascertain the views of institutions and firms on the subject of extension of the moratorium beyond September 4. The replies received up to and including Wednesday, August 26, were, according to a "White Paper" Government notice, as follows:—

The questions asked were:—

1. Are you in favour of allowing the present moratorium to end on September 4?

2. Are you in favour of extending the present moratorium?

If yes, state whether you are in favour of extending it

(a) for an unlimited period;

(b) for a limited and, if so, what period;

(c) for a part of the debt, so as to provide for gradual payment;

(d) in any other and, if so, what way.

3. Qualifications.

4. General Remarks.

5. Are the banking facilities now available reasonably comparable to those available before the war?

In respect of 109 replies from bankers 68.8 per cent. were of opinion that banking facilities available now are reasonably comparable with those prevailing

before the war, and 31.2 per cent. were of the contrary opinion. Fourteen banks made no reply on the matter. Discount brokers replied in 17 cases as to the moratorium extension point, but only in one case was there a reply to the comparability question above referred to, and there the opinion was expressed that the facilities were not comparable. In the grand aggregate of 8,256 replies respecting the comparability question, 7,310 replied—6,341 "Yes," 969 "No," respectively about 87 and 13 per cent.

Of a grand aggregate of replies as to the question of extending the moratorium, of 8,256 replies 4,653 were adverse to extending and 3,603 in favour. Note has to be taken that the London Stock Exchange Committee on behalf of a number given as 6,000 members was in favour of extension. Of 31 provincial stockbrokers, 25 were in favour of extending, 6 against.

OUR WHEAT SUPPLY.

A REASSURING RETROSPECT.

THE outbreak this year of the greatest war that has ever occurred in the history of the world emphasises the economic fact of our reliance upon foreign sources of supplies of grain—of wheat in especial, which forms the "staff of life"—and the position calls for consideration of quantities and movements of prices of wheat in past periods, whether normal or of stress. In a general way it is understood that this country imports a huge quantity of wheat and also flour from all quarters of the globe, but the history of how that reliance has grown is worth dealing with. It is of interest to note that we grow but about one-fifth of our requirements for food supply, and import about four-fifths of our total present consumption.

Approximately 60 years ago Great Britain, as the population increased and the home area of production was incapable of being much extended, gradually emerged from the stage of being self-sustained in the production of its grain requirements. The occasional shortage of home crops was for a time supplemented by imports, nearly all from the continent of Europe. The big present sources of production were then non-existent. Previous to about the year 1830 there had intermittently been conditions where bountiful home crops of the United Kingdom had even permitted, in some years, of a surplus of British home-grown wheat being exported to Continental countries where harvests had been short of requirements. Subsequent to about 1830, however, we have been increasingly obliged to import, and as time has gone by our reliance upon far-away fields for grain supplies has become greater and greater. Our ability to secure supplies from new fields of production has in great part been contributed to by the employment of British capital in young countries and opening them up by the construction of railways and affording facilities for transport both on

British Imports of Wheat (and Flour) in Cwt. (Quarters taken as 480 Lb.).

Year	Population	Foreign			Colonies and Possessions			Grand Total of all Countries Cwt.
		United States Cwt.	Argentina and Chile Cwt.	Russia and Balkans Cwt.	Canada Cwt.	India Cwt.	Australasia Cwt.	
1840	... 27,487,000	1,550,000	—	1,180,000	634,000	—	—	10,580,000
1845	... 27,776,000	408,000	—	171,000	1,000,000	—	—	4,959,000
1850	... 27,523,000	2,345,000	60,000	3,353,000	351,000	—	—	20,976,000
1855	... 27,822,000	1,934,000	—	410,000	77,000	—	—	13,947,000
1860	... 28,778,000	9,315,000	—	6,380,000	1,310,000	—	—	31,841,000
1865	... 29,768,000	1,498,000	—	8,718,000	528,000	—	—	25,843,000
1870	... 31,205,000	15,057,000	643,000	11,283,000	3,402,000	—	—	36,906,000
1875	... 32,749,000	26,372,000	902,000	11,890,000	4,069,000	—	87,000	59,546,000
1880	... 34,468,000	44,783,000	1,450,000	4,510,000	4,543,000	3,230,000	4,813,000	68,459,000
1885	... 36,331,000	38,933,000	1,957,000	16,316,000	2,113,000	12,175,000	5,453,000	82,331,000
1890	... 37,485,000	33,902,000	2,874,000	27,501,000	2,424,000	9,111,000	3,239,000	82,381,000
1895	... 39,113,000	45,323,000	12,473,000	28,213,000	5,099,000	8,803,000	3,588,000	107,281,000
1900	... 41,154,000	57,319,000	18,780,000	7,051,000	7,998,000	6,000	4,058,000	98,597,000
1905	... 42,980,000	14,948,000	24,280,000	28,162,000	7,953,000	22,866,000	11,827,000	114,226,000
1910	... 44,915,000	18,065,000	15,906,000	30,310,000	20,315,000	17,933,000	14,314,000	119,066,000
1913	... 46,036,000	42,620,000	15,787,000	5,168,000	27,577,000	18,768,000	10,668,000	122,514,000

land and by sea, the interest on the capital thus advanced being returned to us in kind by the export to this country of foodstuffs and raw materials. Thus huge new sources of supply have, as a consequence, been opened up, as, for instance, the United States, Canada, Argentina, India, and Australasia—all sources of supply quite outside the former limited small requirements obtained from the continent of Europe.

Our ability to draw supplies from these oversea countries has hitherto never been impeded, but nevertheless it has always been the policy of this country to keep a strong Navy, and in recent years especially so. It is true that a clamorous minority of the nation has now and again opposed the policy of a constant increase in our naval strength; but the great majority have quietly but strenuously upheld the principle that it is imperative that this country should have a Navy adequate for the maintenance of our command of the sea and the protection of our food supplies in the event of our being forced into a war with any Great Power. We are now reaping the benefit of adherence to this wise policy. It was vital to this country to have a Navy that could assure our ability to obtain unimpeded transport from the many far-away sources of supply of our food that in the course of the last 50 years have extended their production so hugely as is shown by the figures we give on p. 533.

From the table below it will be seen that, consequent on the ability of young countries to send us cheap wheat, the United Kingdom area under wheat cultivation steadily diminished.

Wheat: Acreage under Cultivation in the United Kingdom and Estimated Production.

Year	Wheat-sown Area Acres	Estimated Production of United Kingdom Cwt.	Imports Cwt.	Production and Imports Cwt.
1855 ...	4,037,000	*70,400 000	13,940,000	84,340,000
1860 ...	4,020,000	*51,445,000	31,841,000	83,286,000
1865 ...	3,685,000	*65,057,000	25,843,000	90,900,000
1870 ...	3,500,000	*52,717,000	36,906,000	89,623,000
1875 ...	3,342,000	*55,277,700	59,546,000	114,823,000
1880 ...	2,909,000	*21,633,000	68,459,000	90,192,000
1885 ...	2,553,000	42,857,000	82,331,000	125,188,000
1890 ...	2,483,000	40,714,000	82,381,000	123,095,000
1895 ...	1,456,000	20,893,000	107,261,000	128,154,000
1900 ...	1,901,000	29,464,000	98,597,000	128,061,000
1905 ...	1,836,000	32,857,000	114,226,000	147,083,000
1910 ...	1,857,000	30,538,000	119,056,000	149,592,000
1912 ...	1,971,000	31,071,000	123,724,000	154,795,000
1913 ...	1,702,000	28,465,000	122,514,000	150,000,000
1914 ...	1,843,000	31,371,000	—	—

* These figures are taken from data collected by Messrs. Lawes and Gilbert, and given in a paper read in 1880 before the Royal Statistical Society, London. The totals of home production are in each case after the deduction of 2½ bushels per acre for seed purposes.

There are two broad general features to be taken note of in the above tables. (1) That during a period of steadily increasing population there was (2) a very considerable decrease in the extent of the acreage put under wheat in the United Kingdom each year, and, as mentioned, the reason why there was a diminution of the acreage was the competition of new sources of supply enabling us to obtain wheat at a constantly lower and lower level of price.

In comprehensive tables we have given the statistics of each quinquennium. Such presentation, however, only partially discloses the great variations in home crops. It will be of interest to give the full estimates of experts who, prior to the period when the Government collected information as to the volume of home crops, had gathered particulars of the period of 28 years up to and inclusive of the year 1880. This was an era when the United Kingdom had a much larger area under wheat cultivation that it has had since, for in that year we had virtually no overseas supplies of grain, which, as we have shown, have since 1880 gradually made good the enormous growth of our grain requirements. The figures are taken from the inquiries made by Messrs. Lawes and Gilbert, and

submitted in a paper read before the Royal Statistical Society in that year.

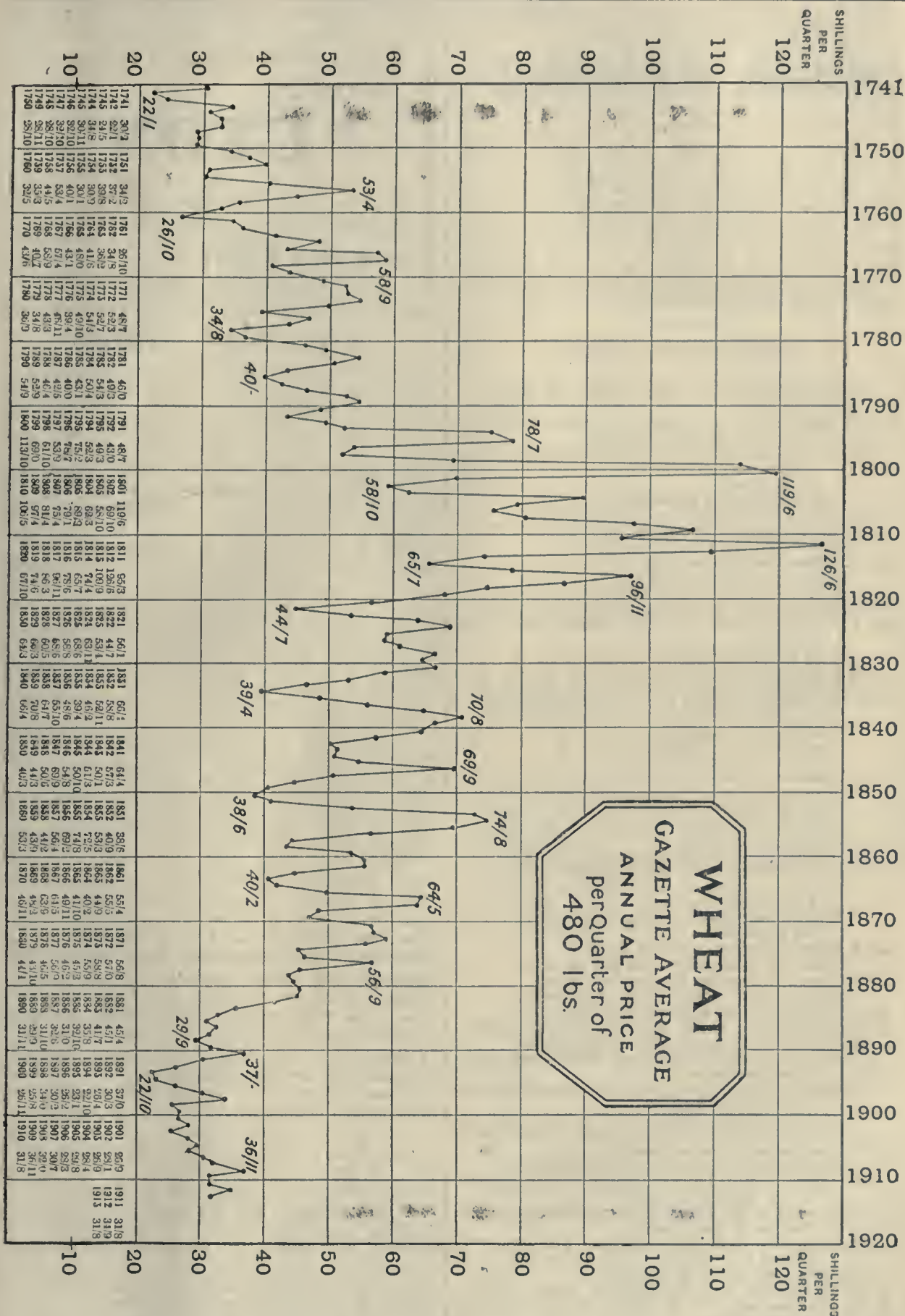
Year to Aug. 31	United Kingdom Population	Area Under Wheat Acres	*Total Home Wheat Supply Cwt.	Bushels per Acre
1853 ...	27,511,000	4,059,000	44,710,000	22½
1854 ...	27,820,000	4,014,000	40,015,000	20½
1855 ...	27,787,000	4,037,000	70,400,000	34½
1856 ...	27,948,000	4,076,000	54,754,000	27½
1857 ...	28,129,000	4,213,000	55,743,000	27
1858 ...	28,322,000	4,186,000	69,188,000	33½
1859 ...	28,523,000	4,132,000	65,005,000	31½
1860 ...	28,715,000	4,020,000	51,445,000	26½
1861 ...	28,909,000	3,992,000	42,660,000	22½
1862 ...	29,128,000	3,893,000	47,900,000	25½
1863 ...	29,331,000	3,824,000	55,200,000	29½
1864 ...	29,509,000	3,699,000	70,566,000	38½
1865 ...	29,701,000	3,685,000	65,057,000	35½
1866 ...	29,888,000	3,646,000	55,500,000	30½
1867 ...	30,087,000	3,649,000	44,809,000	25½
1868 ...	30,299,000	3,629,000	36,625,000	21
1869 ...	30,528,000	3,937,000	66,963,000	34
1870 ...	30,760,000	3,976,000	52,717,000	27
1871 ...	31,299,000	3,773,000	56,100,000	30
1872 ...	31,749,000	3,819,000	44,493,000	24
1873 ...	32,040,000	3,839,000	44,738,000	24
1874 ...	32,318,000	3,670,000	39,814,000	22½
1875 ...	32,629,000	3,821,000	55,277,000	29½
1876 ...	32,974,000	3,504,000	38,712,000	22½
1877 ...	33,327,000	3,114,000	37,958,000	25
1878 ...	33,736,000	3,312,000	43,024,000	26½
1879 ...	34,064,000	3,372,000	50,007,000	30
1880 ...	34,455,000	3,048,000	21,633,000	15½

* These figures are after provision of 2½ bushels per acre for seed purposes.

The diagram that is elsewhere given in these remarks covers the extended period of 174 years. It would obscure and tend to bewilder rather than otherwise to attempt to deal with the multitude of important events that have occurred over so extended a period. Suffice it to say it covers periods of wars, the coming into existence of new sources of production, the growth in the number of people who have had to be fed all over the world, in some regions famines, alternations of shortage or abundant crops at home and abroad, &c. The design of the chart and the information now afforded is, however, to bring home the fact that this country, under the happy circumstances of its having a strong Navy and securing freedom of transport, need be under no apprehension such as momentarily was felt when the series of war declarations of the end of July and the beginning of August created a temporary state of panic apprehension.

We have become so accustomed in recent years to a very low level of prices that there is altogether forgetfulness of what used to be the case in the times of our forefathers. The wealth of the United Kingdom in these times, reckoned per head of population, is immensely greater than what was the wealth during the Napoleonic wars over a hundred years ago, but it can be seen from the chart that the ranges of price of wheat during the period of the French Revolution to Waterloo—say 23 years, 1793 to 1815 inclusive—averaged approximately 80s. per quarter. There was a long period of declining trend in prices until, in 1894, the average price was 22s. 6d., and in one week during that year the average quotation on the 196 town markets in the United Kingdom, whence quotations are collated, was the record low figure of 17s. 6d. per quarter. There has been an appreciable recovery since from so extremely low a quotation, and in the last week of August the average price stood at 36s. 2d. per quarter of 480 lb. The diagram of price movement only gives the average annual price, but it will be of interest to refer to the figures we give below as to the movements of price this year. The average monthly record of prices for 1914 is as set out below:—

January, 31s.	May, 32s. 8d.
February, 31s.	June, 34s. 1d.
March, 31s. 5d.	July, 34s. 3d.
April, 31s. 7d.	August, 36s. 10d.



The average weekly price for the five weekly periods which entered into the month of August were as follows:—

August 3, 34s. 2d. August 24, 38s. 9d.
 August 10, 34s. 9d. August 31, 36s. 2d.
 August 17, 40s. 3d.

The subsidence of alarm was in part due to the knowledge that supplies held in this country were large. The home harvest was in course of being

gathered, and the weather has happily been propitious. It is estimated the wheat crop this year is about 10 per cent. larger than that of 1913. The absence of any recurrence of an upward spasm in the price of wheat has, however, been mainly due to the fact that it has been brought home, even to the minds of the most unthinking, that this country's policy of having a very strong Navy and securing freedom of transport from distant countries has proved effective. It has been true that as a menace to our

overseas trade Austria has been reckoned to count for virtually nothing; but Germany had an immense number of powerful mercantile steamships and a considerable number of first-class naval leviathans, as well as a swarm of minor war-vessels. In less than a month after the war declaration between Germany and Great Britain, however, the few German vessels outside the fleet in the North Sea had been nearly all captured or located, and the Fleet there continues to be contained by our superior force. Confidence daily increases, and though momentarily finance considerations have brought about a pause, the situation will be overcome and all obstacles removed to the flow of produce to this and other countries that are free of blockade.

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- " 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain.
- Proposals accepted by France and Italy.
- " 28. Austria-Hungary declares war against Serbia.
- " 30. Partial mobilisation in Russia.
Bank of England rate 4 per cent.
- " 31. General mobilisation in Russia.
Germany declares state of war.
Italian declaration of neutrality.
Bank of England rate 8 per cent.
- Aug. 1. Germany declares war against Russia, also invades Luxemburg.
Bank of England rate 10 per cent.
- " 3. German ultimatum to Belgium.
- " 4. Mobilisation of British Army.
War declared between Great Britain and Germany.
British Government undertakes insurance of British shipping during war.
- " 5. Lord Kitchener appointed Minister of War.
Attack on Liège by Germans repulsed.
Roumania to remain neutral.
- " 6. House of Commons vote of credit for 100 millions.
Army to be increased by half a million of men.
General moratorium in force to September 4.
Recruitment of additional 100,000 men commences.
Austria-Hungary declares war against Russia.
- " 7. Bank of England rate reduced to 6 per cent.
Government rate of war insurance reduced to 4 guineas per cent.
German Commander attacking Liège asks for armistice for 24 hours.
- " 8. German Togoland seized by British.
Bank of England rate reduced to 5 per cent.
- " 10. France declares war on Austria-Hungary.
Germans enter City of Liège. Forts intact.
Montenegro casts in her lot with Serbia.
- " 11. German Army mainly operating through Belgium.
- " 12. British Declaration of War against Austria.
German war vessels *Goeben* and *Breslau* seek refuge in the Dardanelles.
- " 13. Government guarantees bills of exchange discounted at the Bank of England.
Measures being arranged for holding gold in Colonies for account of the Bank of England.
- " 17. Japanese ultimatum to Germany.
Greece protests against Turkish movements.
- " 18. Admission officially of landing of British Expeditionary force on Continent.
- " 19. Advance in force of Germans in Belgium and of Russians in East Prussia.
- " 20. Continental Bank rate reductions: France 6 to 5, Holland 6 to 5, Norway $6\frac{1}{2}$ to $5\frac{1}{2}$ per cent.
- " 21. German occupation of Brussels.
- " 22. Confirmation of Servian successes against Austria.
- " 23. Japan at war with Germany. Russian successes in East Prussia.
- " 24. Fall of Namur.
- " 25. Battle of Charleroi and retirement of Allies.
- " 27. Further retirement of Allies in North-East France. Concentrated German onslaught on British.
British force landed at Ostend.
- " 30. Russians advance in Prussia to west of River Vistula. German check to Russian advance.
Germans said to have withdrawn reserves from Belgium to Russian front.
- Sept. 3. French Government transfers to Bordeaux. German front close to Paris.
Russian double defeat of Austrians near Lemberg.
Active recruiting of second 100,000 men.

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Financial Notes.

MESSRS. WIGGLESWORTH AND COMPANY, of 82 Fenchurch Street, E.C., send us the following quotation from a letter received by them from a prominent Italian merchant with whom they do a large business. They add that they can confirm the statements made by him, both as to the German management of the Italian banks and as to the hindrance to trade offered by the high parcel-post tariff:—"Regarding the dispositions which your country is willing to take in order to enlarge the trade and the exportation of its industrial products, it is certain that this resolution is well taken. I wish to tell you some ideas of mine which, if you think well, you may report. In Italy English products have an indisputable preference, but they are overpowered by German competition, and frequently German goods are sold as English. The reason the Germans have put their foot in our market is above all the institution of large banks, Italian in capital but German in management, and you know that these directors have always given and will always give on all occasions their help to what is German. I know that they oblige the firms which have current accounts to purchase from German houses, &c. I think that now it would be a good moment to institute an English-French-Italian bank, which I am sure could get great importance on our market. Another good measure would be to reduce the parcel-post rates. Now we pay Frs. 3.75 per 5 kgs., whereas we pay Frs. 1.25 for French and 1.50 for German. If your Government could reduce to the same limits or thereabout, the trade should become very great, as, in fact, English goods are not dear, and have our preference. But when on a small amount we are obliged to add an expense of Frs. 3.75 for parcel-post, it is natural that the business becomes not only dear but out of the question. The news of the war seems till now favourable to France, and, as you may imagine, the enthusiasm in Italy is very great."

Mr. Hall, of Hall and Pickles, Manchester, referring to our article of last week "Our Military System under Trial," asks why we should not combine the voluntary and the compulsory systems by insisting upon the training of the whole male population in early youth. We agree fully with our correspondent that this is the really wise and scientific solution of a serious problem. Compulsory service is out of the question for an Empire like ours, spread all over the world. But compulsory training is quite compatible with the maintenance of the voluntary system. It would, therefore, not only be beneficial, by giving physical training to our young men, but it would also make it possible in a time of emergency, such as we are now passing through, to augment quickly and as largely as necessary our military forces.

On August 26—that is, on Wednesday of last week—the Imperial Bank of Germany, which had suspended publishing its returns for the three weeks pre-

ceding August 15, published the returns for August 15 and 22. It will be exceedingly interesting to compare the returns for July 23—that is, the one immediately preceding the outbreak of the war—with that for August 22. The first point of interest is that on July 23 the total gold coin and bullion amounted to £67,842,850, while on August 22 it had risen to £76,488,750, an increase of £8,645,900, or 12.7 per cent.

Various suggestions have been made as to the sources of the increase. Probably they were due to a continuance of the efforts that have been made ever since the beginning of last year to augment on a great scale the gold reserve. The augmentation had stopped for some time before the war, but when war became imminent it is highly probable that the German banks in foreign countries all assisted in adding considerably to the gold reserve. It is possible, of course, that some of the gold coin in circulation may have flown back, and it is also possible that the Government itself may have transferred a part, at all events, of its War Chest to the Reichsbank. But though possible, neither of those proceedings is likely. What is much more probable is that an effort was made to weaken the London and the Paris markets, though it did not succeed very much. In any case, our readers will remember that an immense addition was made to the gold held by the Reichsbank from the beginning of last year until this year was well advanced.

The second point of interest is that the bills discounted amounted on July 23 to £37,544,600, and on August 22 they had risen to £230,800,500, being an increase of £193,255,900, or 515.3 per cent. This extraordinary increase in the discount of bills shows how acute was the panic in the German Money market. Always, our readers will remember, the German banks finance German trade to an extent quite unfamiliar to English people, and the banks relieve themselves at the end of every quarter by discounting with the Imperial Bank on a great scale. At the outbreak of war alarm amongst the banks was such that discounting rose as has here been pointed out.

The third point of interest is that the notes in circulation, which on July 23 amounted to £94,544,750, had risen on August 22 to £199,998,100, an increase of £105,453,350, or 111.6 per cent. The fact that the note circulation had risen to practically 200 millions sterling illustrates the anxiety of the German Government to keep a strong grip upon the gold in the Bank; and, furthermore, it illustrates to what a large extent the Government is compelled to finance the war by the issue of paper. This is a point that must not be left out of account when considering how long Germany and other belligerents may be able to continue hostilities. Meantime, it is worth pointing out that the gold reserve now held by the Bank is only 38.2 per cent. of the note circulation.

The return of the Imperial Bank of Russia for the week ended August 21 is extremely interesting. It shows that the total gold amounted to £172,323,000. On July 21, a month previously, it amounted to £174,509,000. It will be seen that the effect of the war upon the gold reserve has been very slight. Even upon the silver the change is small. On July 21 the silver held was £7,383,000. On August 21 it was £6,041,000, showing a decrease of no more than £1,342,000. On the other hand, the note circulation has increased from £163,411,000 on July 21 to £241,093,000 on August 21, an increase of £77,682,000, or 47½ per cent. The larger part of the increase, of course, is due to the war. The expenditure at home has been practically all defrayed by the issue of notes. At the same time, it is to be borne in mind that the harvest is a good one, and that during harvesting naturally more currency is required than at other periods of the year.

DOMINION OF CANADA

Dominion and Provincial
Statutes, Blue Books, and
Records are kept for public
reference at the Office of
the

HIGH COMMISSIONER FOR CANADA

OFFICIAL INFORMATION

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American Topics.

LEHIGH VALLEY RAILROAD.

At a time such as this the advantage to everyone of the existence of companies of great financial strength, able to meet their obligations and to maintain regular dividends, cannot be over-estimated, and it may be hoped that one of the good things that may come out of the present evils will be the recognition of the desirability of promoting and encouraging undertakings to become as financially strong as it is possible to make them, in order that they may be able to perform their functions and to provide interest and dividends upon capital in times of the greatest emergency. Last week we referred to the very great benefits accruing to Canada at the present time from the great financial strength of the Canadian Pacific Railway, and the ability of that Company not only to meet its obligations and to pay regular dividends, but to be in a position to secure capital when the difficulty of obtaining new money is unusually great. The United States also possesses corporations of great financial strength and of high standing, able in any conceivable situation to perform their duties to the public, and to continue to pay regular interest and dividends upon their capital. The financial condition of American railways as a whole at the present time is, indeed, the reverse of that in which they were found by the currency crisis which visited the States in 1894. At that time the net income of many of the railways was only slightly in excess of their interest charges, and the

contraction in trade which followed upon the closing of the Indian mints to the free coinage of silver consequently forced a great many companies into bankruptcy. At the present moment, with very few exceptions, the railways of the United States are earning large profits in excess of their interest charges and are in a position to weather any contraction in trade that may occur—certainly any contraction in trade that is likely to occur in consequence of the events happening in Europe. It is true that the great European war now being waged has for the moment caused the breakdown of the world's credit machinery, and has brought about a sharp contraction in trade activity in all parts of the world. We are, however, not without hope that the breakdown in the machinery of credit will be a temporary matter only, that before long the damage that has been done will be effectively repaired, and that the great war expenditures will cause not trade contraction in the United States and in other young countries which are capable of supplying Europe with the food and the materials it needs, but trade expansion. At the present moment, however, the closing of the world's bourses and the difficulty of making international remittances have undoubtedly had a very prejudicial effect upon both national and international trade and are causing everyone to examine into the financial condition of the strongest undertakings. In these circumstances the strong financial position of most of the railways of the United States is a matter for congratulation. In consequence of the troubles which arose in the 'nineties nearly all the railways either scaled down their interest charges or have since raised the bulk of the capital they have needed by issues of Common stock, so that at the present time the proportion of fixed charges to net income is quite low. It should, indeed, be clearly understood that the troubles of three or four railways which did not reorganise their finances in the 'nineties and have not been able to issue Common stock to finance new capital expenditures are the exceptions that prove the rule.

One of the corporations which is so financially strong as to be able to meet with equanimity any situation that may arise is the Lehigh Valley Railroad, which in the last 14 years has grown steadily stronger in common with the other anthracite coal roads. In 1894, when the financial storm swept over the United States, the net income of the Lehigh Valley was only just sufficient to meet its interest charges. In the past year, however, the net income of this undertaking, in spite of unfavourable conditions that prevailed, was as much as \$15,324,000; and after meeting taxes was nearly \$14,000,000, while its interest charges were no more than \$6,000,000. Thus the margin of profit behind its fixed charges was no less than \$7,622,000. The proportion of fixed charges to net income was only 44 per cent., and the margin of net profit behind the fixed charges was as much as 56 per cent. of the net income. This profit was equal to a dividend upon the Common stock of 12.58 per cent.; and after the payment of the 10 per cent. dividend the undivided profit was \$1,560,000. The financial strength of the Company at the present time will be evident from the Income Statement herewith.

It should be noted that the results for the past year were distinctly below normal. This resulted from the mildness of last winter and the consequent small demand for anthracite coal (which is used mainly for household purposes), the smallness of last year's crops, and the reaction in trade which resulted from the small crop and the stringency of the Money market. In the year to June 1913 the net income available to meet the fixed charges was nearly \$16,000,000, and the fixed charges represented a proportion of only about 40 per cent. of the net income available. The shrinkage in gross receipts during the past year was rather less than 8 per cent., the earnings from coal showing a decline of about 9 per cent., and from merchandise of about 8 per cent. The efforts of the Company to curtail expenditure were in some measure neutralised by the further advance in the rate of wages and the additional cost of labour. Nevertheless, the loss in gross earnings was attended by a reduction of \$1,498,000, or about 5 per cent. in expenses, in consequence of reduced outlays for maintenance of way and equipment, those of 1912-13 having been unusually heavy. Notwithstanding the reduced maintenance expenditure in the past year, the sum expended is still much greater than in any previous year with the exception of 1912-13. The liberality of the maintenance expenditures last year, notwithstanding the reduction, will be evident from the following statement:—

Operating Expenses of Lehigh Valley RR.

Yr. to June 30	Gross Earnings.	Maint. Wav.	Maint. of Equipment.	Cond. Trans- portation.	General Expenses.	Total Expenses.
	\$	\$	\$	\$	\$	\$
1914 ...	33,783,563	4,575,062	7,011,946	15,074,055	948,093	27,609,162
1913 ...	43,043,372	5,694,422	7,561,271	14,976,475	875,651	29,107,819
1912 ...	36,405,935	3,963,599	6,313,317	13,537,078	853,266	24,720,250
1911 ...	37,687,403	3,623,178	6,003,287	12,939,954	793,901	23,407,318
1910 ...	36,187,398	3,462,903	5,995,810	11,512,285	713,149	21,684,147
1909 ...	33,137,832	3,273,339	5,832,430	10,760,293	703,764	22,575,738
1908 ...	35,510,154	3,398,642	6,153,874	12,121,580	637,940	22,312,028
1907 ...	35,521,447	3,344,182	6,186,874	11,920,347	515,927	21,967,330
1906 ...	32,739,857	3,153,245	5,485,794	10,891,954	821,218	20,152,211
1905 ...	31,275,843	3,269,383	4,894,269	10,179,038	537,011	18,929,701
1904 ...	29,881,738	3,059,253	4,745,342	10,469,806	595,895	18,870,301

Ratio of Oper. Expenses to Gross Earnings of Lehigh Valley RR.

	%	%	%	%	%
1914 ...	11.50	17.63	37.89	2.38	69.40
1913 ...	13.23	17.56	34.80	2.03	67.62
1912 ...	10.74	17.11	36.81	2.32	66.93
1911 ...	9.61	15.93	34.47	2.10	62.11
1910 ...	9.57	16.53	31.83	1.97	59.95
1909 ...	9.83	17.60	32.47	2.14	62.09
1908 ...	9.57	17.33	34.13	1.80	62.83
1907 ...	9.41	17.42	33.66	1.45	61.84
1906 ...	9.62	16.73	33.22	1.89	61.46
1905 ...	10.45	15.65	32.55	1.87	60.52
1904 ...	10.24	15.83	35.04	1.99	63.15

When traffic declines it is always difficult to effect corresponding economy, but the officers of the Lehigh Valley succeeded in reducing the freight-train mileage to an extent nearly corresponding to the shrinkage in the volume of traffic, and the average revenue freight train load was maintained at the high figure of 595 tons, which compares with 599 tons in the previous year and 566 tons in 1912-13. The

Income Statement of the Lehigh Valley Railroad.

Year to Aver. June 30	Gross Miles.	Oper. Earnings.	Net Expenses.	Ratio.	Net Earnings.	Misc. Income.	Net L. V. Coal.	Net Income.	Taxes.	Fixed Charges.	Net Profit.	10% Div. on Pref. Balance.	Div. on Common. Earned.	—Paid.—	Balance.
		\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1914 ...	1,440	39,784,000	27,609,000	69.40	12,175,000	2,534,000	565,000	15,324,000	1,691,000	6,011,000	7,622,000	11,000	7,611,000	12.58	10
1913 ...	1,451	43,043,000	29,108,000	67.62	13,935,000	2,023,000	1,471,000	17,430,000	1,809,000	5,588,000	10,233,000	11,000	10,222,000	16.89	10
1912 ...	1,441	36,905,000	24,720,000	66.98	12,185,000	1,825,000	1,162,000	15,173,000	1,451,000	5,747,000	7,975,000	11,000	7,964,000	13.16	10a
1911 ...	1,432	37,687,000	23,407,000	62.11	14,280,000	1,356,000	1,513,000	17,149,000	1,145,000	5,990,000	10,014,000	11,000	10,003,000	16.53	10
1910 ...	1,440	36,187,000	21,684,000	59.95	14,483,000	1,260,000	1,137,000	16,880,000	1,107,000	6,499,000	9,274,000	11,000	9,263,000	22.97	8
1909 ...	1,446	33,138,000	20,576,000	62.09	12,562,000	705,000	375,000	13,642,000	1,079,000	6,343,000	6,220,000	11,000	8,209,000	15.39	6
1908 ...	1,448	35,510,000	22,312,000	62.83	13,198,000	1,629,000	389,000	15,216,000	1,123,000	6,334,000	7,759,000	11,000	7,748,000	19.22	6
1907 ...	1,443	35,521,000	21,967,000	61.84	13,554,000	1,615,000	111,000	15,280,000	886,000	6,189,000	8,205,000	11,000	8,194,000	20.33	6
1906 ...	1,429	32,790,000	20,152,000	61.46	12,638,000	809,000	318,000	13,765,000	707,000	5,718,000	7,340,000	11,000	7,329,000	18.17	4
1905 ...	1,394	31,276,000	18,930,000	60.52	12,346,000	453,000	636,000	13,435,000	724,000	5,271,000	7,440,000	11,000	7,429,000	18.42	4
1904 ...	1,392	29,881,000	18,870,000	63.15	11,011,000	506,000	856,000	12,373,000	680,000	6,116,000	6,577,000	11,000	6,566,000	16.29	1
1894 ...	1,102	17,331,000	13,185,000	76.03	4,146,000	1,036,000	—	5,182,000	—	5,055,000	127,000	Nil	127,000	—	Nil

† Year ended November 30.

(a) In addition, special 10 % cash dividend was paid February 26, 1912.

economy with which the traffic was dealt with is shown by the following statement:—

Freight-Train Results of Lehigh Valley RR.

Yr. to	Freight-Train	Rev.	Train Load	Car Load	Ton Miles
June	Avr.	Ton	Rev.	Tons.	per Mile
30	Miles.	Miles.	Tons.	Tons.	of Road.
1914	1,440	5,218,762	8,768,300	695-18	617-13
1913	1,451	5,812,395	9,703,311	699-01	620-71
1912	1,441	4,785,077	8,452,978	598-08	587-61
1911	1,432	4,834,203	8,975,970	544-14	564-44
1910	1,440	4,736,553	8,753,234	542-33	561-51
1909	1,416	4,397,809	8,218,419	535-25	553-13
1908	1,448	4,795,038	9,039,177	570-47	553-31
1907	1,443	4,769,131	9,032,057	523-47	546-18
1906	1,429	4,342,877	8,621,833	503-70	523-34
1905	1,394	4,103,778	8,195,176	577-78	518-64
1904	1,392	3,896,503	8,014,974	498-15	507-92

† 000's omitted.

The extent to which the traffic was affected by the mildness of the winter, the contraction in trade, and the smaller crops will be evident from the following statement of the tonnage of traffic conveyed:—

Description of Tonnage Conveyed, Lehigh Valley Railroad.

Year to	Agri- cultural	Animals.	Mines.	Forests.	Manufac- tured.	Miscel- laneous.	Total
June 30	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1914	2,647,000	695,000	19,051,000	844,000	4,027,000	2,653,000	29,924,000
1913	3,062,000	724,000	20,870,000	945,000	4,335,000	2,582,000	32,363,000
1912	2,510,000	733,000	17,391,000	839,000	4,117,000	2,403,000	28,013,000
1911	2,483,000	762,000	17,830,000	852,000	4,228,000	2,332,000	28,512,000
1910	2,465,000	752,000	18,545,000	834,000	4,204,000	2,331,000	27,131,000
1909	2,557,000	812,000	15,033,000	845,000	3,409,000	2,197,000	24,859,000
1908	2,701,000	857,000	16,422,000	878,000	3,613,000	2,003,000	28,430,000
1907	2,638,000	911,000	16,318,000	939,000	4,203,000	2,332,000	27,377,000
1906	2,810,000	933,000	10,265,000	745,000	2,410,000	1,367,000	18,175,000

Fortunately, freight rates were fairly well maintained. The average coal rate worked out at .701 cent and the average total freight rate at .642 cent. The steadiness of the freight rates is shown by the following statement:—

Average Freight Rate and Haul, Lehigh Valley RR.

Year to	—Ton Miles—	—Freight—	Aver. Freight	Rev.	Aver.
June 30	000's omitted.	Coal.	Rate.	Tons	Haul.
30	Coal.	Total.	Cent.	Carried.	Miles.
1914	2,638,425	5,218,752	18,492,833	33,519,367	701
1913	2,638,425	5,812,335	20,185,339	36,725,133	695
1912	2,313,939	4,785,077	16,301,314	30,892,553	704
1911	2,369,540	4,834,203	17,155,534	31,842,925	724
1910	2,185,128	4,736,553	15,821,798	30,579,537	731
1909	2,017,613	4,397,809	14,831,671	28,123,532	735
1908	2,221,952	4,795,038	16,175,280	30,186,582	723
1907	2,021,910	4,769,131	15,270,214	30,134,478	755
1906	1,813,178	4,342,877	13,428,585	27,182,693	731
1905	1,890,899	4,103,778	13,530,337	25,982,920	719
1904	1,765,612	3,896,503	12,835,078	24,829,777	727
1903	1,360,804	3,632,481	10,104,764	21,714,471	743
1902	1,276,383	3,418,885	9,323,959	18,956,245	731

At the end of July the price of the \$50 share was only 61, and the 10 per cent. dividend gave a yield of £8 8s. 10d. per cent. The yields afforded by the Company's securities, according to the latest prices available, are shown below:—

Yields Afforded by Principal Securities of Lehigh Valley RR.

Description.	Amount	Date of	Int. or Div.	Rate.	Yield %
	Outstanding.	Maturity.			
Leh. Val. RR. 1st. Mort.	5,000,000	June 1948	4	J & D	101½
Do. Conso. Mort.	5,638,000	Dec. 1923	6	J & D	110*
Do. do. 4½ %	4,762,000	Dec. 1923	4½	J & D	101*
Do. do. 6% Annuity	10,062,000	(Irred.)	6	J & D	138*
Do. 4% Gen. Cons. Mt.	26,639,000	May 2003	4	M & N	88½
Do. Coll. Trust 4 % bds.	10,739,000	A. 14-F. 28	4	F & A	—*
L. V. Ry. Term. 1st. Mt.	10,000,000	Oct. 1941	5	A & O	111½
Easton & Amboy 1st. M.	6,000,000	May 1920	6	M & N	103½
L. V. Ry. (of N.Y.) 1st. Mt.	15,000,000	July 1940	4½	J & J	102½
Leh. Val. Coal Co. 1st. Mt.	10,114,000	Jan. 1933	5	J & J	106½
Leh. Val. Coal Sales Com.	7,576,000	—	10	J A J O	165*
Common stock (\$50)	60,501,700	—	10	J A J O	61*

* American price. Purchaser also pays accrued interest. (†) American price including accrued dividend. (‡) London price. Yield allowing for exchange and accrued interest. (a) Increased to this amount Jan. 1914 by stock dividend of 25%. (b) Basis. (n) Not allowing for redemption. (r) Allowing for redemption of bonds at par at maturity.

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CUBAN RAILWAYS AND THE WAR.

CUBAN CENTRAL RAILWAYS.

BEING essentially a sugar carrying line, the future of the Cuban Central Railways is distinctly promising. As we pointed out last week, the cessation of supplies from the Continent owing to the war means a big demand for Cuban sugar, and as the crop this year is a huge one, whilst prices are exceedingly high, everything points to the conclusion that sugar planters and others connected with the industry in Cuba will make enormous profits, the wealth of the country will be enhanced, trade generally will continue active, and a large amount of money will be available for increasing the productivity of the island. In these circumstances the railway companies are likely to enjoy a period of unexampled prosperity. In the first place they will secure large earnings from the carriage of the bumper sugar crop from the plantations to the factories, and of the big output from the factories to the ports. Secondly, they will obtain a considerable additional revenue from the transport of materials connected with the trade; and thirdly, the Companies will benefit from the general all-round expansion in business which the increased wealth and prosperity of the country will create. This year's sugar crop in Cuba amounted at the end of July to 2,468,528 tons, as against 2,267,094 tons in 1913—the previous record; and when it is pointed out that this bumper crop is being marketed at prices ranging between 50 per cent. and 100 per cent. higher than they were last year the position of affairs leaves nothing to be desired.

The Cuban Central Railways is a combination of three separate lines formerly owned and worked by three native companies. They intersect the island of Cuba from the port of Sagua on the north to the port of Cienfuegos on the south, and command the centre of the island. The total length of the system is 345 miles, including numerous short branches to sugar factories. At Cienfuegos, Sagua, and Caibarién the Company owns warehouses, wharves, piers, and convenient shipping appliances. It is physically connected with the Cuba Railroad and with the United Railways of the Havana, with which a good deal of traffic is interchanged. The recent offer by the United Railways Company to acquire the share capital of the Cuban Central on the basis of an exchange of shares resulted in that Company obtaining control of the Central Railway. The alliance is of considerable importance to both concerns, and particularly to the Cuban Central, whose interests being more circumscribed than those of the larger company, stand to greatly benefit by the fusion. As Sir William Young pointed out at the time the matter was under discussion, the greater diversity of traffic which the United Company possesses must of itself add considerably to the strength of the Cuban Central, inasmuch as the risk of a serious falling off in earnings, which would result from a partial failure of the sugar crop in any year is to a large extent eliminated by the consolidation of interests with a company which is less dependent upon one item of traffic. Moreover, the taking over of the line will undoubtedly mean considerable economies in officers, and will at the same time ensure a better and more continuous use being made of the rolling stock; for, being a crop line and requiring a large amount of rolling stock at a given time in order to dispose of its products quickly, a considerable amount of capital necessarily remains idle for the greater portion of the year which under the new conditions will not occur, at any rate, to the same extent.

Something like 80 per cent. of the freight handled by the Company consists of sugar, sugar cane, and molasses. Nevertheless it has a fair general traffic which is likely to further grow in importance, as well as a good and steadily increasing passenger business.

The nature of the freight traffic will be appreciated from the summary appended:—

Freight Traffic—Cuban Central Railways.

	1912-13	1911-12	1910-11	1909-10	1908-09	1907-08
	Tons	Tons	Tons	Tons	Tons	Tons
Sugar-cane ...	2,230,551	1,799,372	1,284,203	1,582,456	1,311,799	849,534
Sugar ...	416,019	307,581	304,935	329,758	289,459	189,956
Molasses ...	82,555	68,821	75,064	79,958	84,147	50,790
Timber and firewood	76,650	76,342	82,359	69,331	61,579	50,645
Building materials	115,185	86,932	93,561	77,363	61,319	69,167
Tobacco ...	20,282	18,909	13,295	18,434	25,402	8,797
Machinery ...	9,510	7,573	9,060	5,554	4,689	5,503
Rum ...	8,874	7,215	6,079	6,533	6,063	7,671
Malts ...	4,910	3,716	3,213	2,618	2,793	2,796
Fruit and vegetables	8,973	5,405	3,119	2,557	4,601	2,436
General goods, &c.	271,243	232,122	215,160	195,778	169,354	175,158
Total goods traffic	3,243,752	2,610,988	2,090,048	2,350,340	2,001,185	1,402,453
Receipts ...	447,669	350,554	318,913	328,371	308,805	234,169

The improvement in the coaching traffic in the last few years will be seen from the following statement:—

Coaching Traffic—Cuban Central Railways.

Year	Passengers— No.	Receipts £	Luggage, Parcels, &c. £	Total Coaching Receipts £
1912-13 ...	1,005,736	117,950	61,018	168,968
1911-12 ...	894,043	104,376	43,972	148,348
1910-11 ...	851,992	99,269	40,929	140,198
1909-10 ...	809,210	93,877	41,638	135,515
1908-09 ...	763,713	89,242	33,145	122,387
1907-08 ...	773,785	91,028	30,441	121,469
1906-07 ...	805,378	90,549	38,702	129,251
1905-06 ...	797,360	89,178	24,029	113,207
1904-05 ...	703,062	78,344	15,507	93,851
1903-04 ...	531,183	62,747	12,843	75,590
1902-03 ...	498,127	54,649	10,583	65,232

A good deal of capital has been spent in recent years on extending and improving the system; and whilst the new extensions are already producing a remunerative traffic, much better results are likely to be obtained as the new districts opened up are more fully developed. Owing in part to the fluctuating character of the traffic, and in part to the desire of the board to build up a strong financial position, the distribution of profits in the past has been on a very conservative scale. The highest dividend paid is 3 per cent., whilst the average distribution since operations were commenced in 1909 has been a trifle under 1 per cent. per annum. A retrospect of the main results of working for the last 11 years, together with the dividends earned and paid on the Company's Ordinary capital, are set out beneath:—

Cuban Central Railways.

Year	Miles Open	Gross Earnings £	Expenses £	Ratio %	Net Earnings £	Profit for Ordinary £	Dividends Earned %	Dividends Paid %
1913-14(a)	345	589,000	337,000	57.21	252,000	57,000	6.6	3
1912-13...	337	617,603	352,889	57.11	264,914	76,875	8.5	3
1911-12...	289	499,982	293,900	58.78	206,082	43,545	4.8	2
1910-11...	255	460,088	281,288	61.14	178,798	31,978	3.5	2
1909-10...	241	465,310	282,686	60.75	182,624	39,870	4.4	2
1908-09...	241	434,357	249,523	57.45	184,834	37,338	4.1	NII
1907-08...	241	359,948	214,668	59.61	145,282	23,955	2.6	NII
1906-07...	241	429,310	247,616	57.63	181,694	43,545	4.8	2
1905-06...	241	406,000	223,000	55.71	180,000	39,936	4.4	NII
1904-05...	219	345,000	193,000	55.95	152,000	26,555	2.9	2
1903-04...	216	281,170	170,000	60.60	111,000	4106	NII	NII
1902-03...	216	254,000	154,000	60.62	100,000	5,0196	NII	NII

(a) Estimated.

(b) Loss.

Last year's set back is mainly due to the financial depression throughout the world which immediately followed the Balkan wars; and this, combined with the relatively low price of sugar which ruled for some considerable time, caused a temporary halt in the Company's progress. However, having regard to the circumstances prevailing, the falling off in traffic receipts was relatively slight, amounting to under £29,000, or 4.7 per cent. In 1912-13 there was an improvement in earnings of as much as £117,000, so that the set-back in 1913-14 is quite insignificant.

Moreover, we anticipate that a material saving in expenditure has been practicable, especially since the alliance with the United Railways Company. Possibly not more than 50 per cent. of the diminution in earnings has been net loss to the Company, in which case the decline in net revenue would come out at only about £12,000. On the other hand higher interest charges have to be met; but the increase on balance will be small, seeing that against the larger amount of Five per Cent. Debenture stock ranking the Company will save the £7,000 written off last year in respect of premium on the Six per Cent. Debenture stock. We calculate, therefore, that the profit for dividend may amount to approximately £57,000, and as this is equal to a return of 6½ per cent. on the Ordinary capital the maintenance of the 3 per cent. distributed in 1912-13 seems assured. Indeed, if the outlook is as hopeful when the matter is under consideration as it is at present some increase in the rate of distribution may be made. Our estimate of the past year's results in comparison with the actual earnings and profits of the three preceding years will be found below:—

Income Statement—Cuban Central Railways.

	1913-14*	1912-13	1911-12	1910-11	1909-10
	£	£	£	£	£
Gross earnings ...	589,000	617,603	499,982	460,086	465,310
Expenses ...	337,000	352,889	293,900	281,288	282,686
Ratio ...	(57.21)	(57.11)	(58.78)	(61.14)	(60.75)
Net earnings ...	252,000	264,914	206,082	178,798	182,624
Miscellaneous ...	2,000	1,996	1,670	1,834	2,639
Net income ...	254,000	266,910	207,752	180,632	185,263
Rent-charges ...	9,000	8,639	9,304	9,927	10,516
4½ % Debentures ...	48,000	48,295	47,740	45,955	44,000
6 % 2nd Debentures ...	—	—	1,742	12,000	12,000
6 % Debenture Stock ...	59,000	45,000	23,015	—	—
Taxes and miscellaneous ...	15,000	22,101	16,406	14,774	12,877
Total charges ...	131,000	124,035	99,207	82,656	79,393
Net profit ...	123,000	142,875	109,545	97,973	105,870
5½ % Pref. dividend ...	66,000	66,000	66,000	66,000	66,000
Profit for Ordinary ...	57,000	76,875	43,545	31,976	39,870
Ordinary dividend ...	27,000	27,000	18,000	18,000	18,000
Rate per cent. ...	(3%)	(3%)	(2%)	(2%)	(2%)
Surplus ...	30,000	49,875	25,545	13,978	21,870
Special renewals, &c. ...	—	37,000	21,000	9,000	10,000
Reserve ...	—	10,000	5,000	5,000	10,000
Total funds ...	?	47,000	26,000	14,000	20,000
Balance ...	?	Or. 2,875	Dr. 455	Dr. 24	Or. 1,870
Brought forward ...	13,000	10,508	10,963	10,987	9,117
Carried forward ...	?	13,383	10,508	10,963	10,987

* Estimated.

Financially also the Company is moderately strong, the directors having, by their conservative distribution of profits, accumulated reserves amounting to something like £160,000. Doubtless these reserve funds will be largely augmented as time goes on and circumstances permit; nevertheless, having regard to the very hopeful outlook for traffic and to the fact that the Company has yet to benefit from the recent capital expenditures on new lines which tap remunerative cane lands, shareholders may, we think, look forward to the time, and that in the not distant future, when they will be in receipt of a more adequate return on their capital than has hitherto been possible.

The price of the £10 Ordinary shares is 6, and on a 3 per cent. dividend basis the yield is nearly £5½ per cent. The £10 Five-and-a-Half per Cent. Preference shares are quoted at 9½, and return the investor as much as £5½ per cent. The Debenture issues of the Company may be regarded as relatively safe investments, the total fixed charges representing not much more than 50 per cent. of last year's estimated income. The Four-and-a-Half per Cent. Mortgage Debentures have risen to par; and, allowing for accrued interest, a yield of about £4 12s. 1d. per cent. is forthcoming. They are redeemable at par by the operation of a sinking fund of 1 per cent. per annum, and the Company has power to retire the whole amount at 110 per cent. on giving six months' notice.

The Five per Cent. Debenture stock is quoted at 98, and the yield afforded is £5 2s. 10d. per cent. The stock is redeemable at 110 per cent. at any time on six months' notice, and is consequently a sound investment, giving a relatively high return.

The capital of the Company is as follows:—

	Amount £	Inter- est %	Price		Yield £ s. d.
			Nomi- nal £	£	
4½ % Mortgage Debentures ...	798,800	4½	100	100	4 12 1
5 % Debenture stock ...	1,178,000	5	100	98	5 2 10
5½ % Cum. Preference shares ...	1,200,000	5½	10	9½	5 15 2
Ordinary shares ...	900,000	3	10	6	5 4 4
Total ...	4,076,600				

THE CHEMICAL INDUSTRY.—I.

THE chemical industry is rightly regarded as an index trade, as the various manufactures are used so extensively as raw materials for other industries. It may therefore be justifiably regarded as a guide to the general conditions of trade in the country, for it naturally follows that a large demand for various kinds of chemicals presupposes a condition of activity in the industries causing such demands. On the other hand, a slackening of the output of chemical manufactures indicates lesser activity in those industries requiring such raw materials. The gross output of the chemical and allied trades of this country was estimated in 1907 at £75,000,000. This included the output of various allied industries, such as the oil and tallow trades, the fertiliser trade, the soap and candle trade, paint, colour and varnish trades, and explosives trades. The gross output of chemicals, coal-tar products, &c., alone was valued at £24,000,000, or, after allowing for a certain amount of duplication, the value was placed at somewhere between £18,000,000 and £22,000,000.

The industry is of special interest at the moment owing to the fact that it is one which Germany has made, to a large extent, her own. Naturally no information is available as to the value of the gross output of Germany's chemical trade, and the only indication is to be obtained from the import and export figures. For 1913 the value of the imports into Germany of chemicals, dyes, &c., was about £21,000,000, as compared with £20,800,000 for 1912. The exports, which in 1912 amounted to 824,640,000 marks, or, say, £41,000,000, had increased in 1913 to 956,414,000 marks, or, say, £48,000,000. Thus, roughly speaking, German imports were nearly three times greater in value as compared with the imports into Great Britain, and, as regards exports, the German figures are about four times those of Great Britain. For 1912 the imports of chemicals into Great Britain were valued at £4,269,154, while in addition we imported dye stuffs to the value of £2,458,692. For 1913 the figures rose to £4,534,536 and £2,462,444 respectively. On the other hand, in 1912 we exported chemicals to the value of £10,246,372, and in 1913 the exports were valued at £10,590,725.

Looking a little more into detail as regards our exports of chemicals, we find that the most important is that under the heading of coal products. This embraces a series of manufactures such as benzol, carbolic acid, naphtha, naphthalene, pitch, creosote, &c., the mere mention of which gives some indication of the extent to which other industries are interested. The value of our exports of coal products in 1913 was £2,661,148, as compared with £1,455,210 for 1909, a very satisfactory increase in so short a space of time. An item that forms a good second is that embraced under the heading of soda compounds. This includes such substances as soda ash, soda bicarbonate, caustic soda, soda chromate, soda crystals, and soda sulphate. Here again other industries are largely interested. Soda ash, for example, is one of the staples employed in making soap, paper, glass, &c.

The soap industry is also affected by the price of caustic soda. In the manufacture of soap again an important by-product is glycerine, and this, as is well known, forms an important article in the manufacture of explosives. Caustic soda is also used in the purification of benzol and naphtha, which are used as solvents for rubber in the production of waterproof materials, &c. The exports of soda compounds from this country in 1913 were valued at £1,869,555, as compared with £1,702,985 in 1909. The third largest item is that of copper sulphate. This is used in the manufacture of pigments for calico printing, while a further industry requiring it is that of electro-metallurgy. Still further uses are to be found in the requirements for horticultural and medicinal purposes. In 1913 we exported copper sulphate to the value of £1,701,219; in 1909 the exports were valued at only about one-half this figure, namely, £854,278. A further article of considerable value, to which we have already referred as a by-product from the manufacture of soap, is that of glycerine, and in 1913 our exports of glycerine were valued at the large sum of £821,381. We may also refer to one other article embraced under the generic title of bleaching materials. This, of course, is a very important raw material for one of our staple industries, namely, the textile industry. In addition to the large quantities of bleaching materials used in the home trade we exported in 1913 bleaching materials of the value of £168,648. To show the value of our exports of chemicals and chemical preparations we set out herewith in detail the value of the various articles for each of the past five years:—

Exports of Chemicals and Chemical Preparations.

	1913.	1912.	1911.	1910.	1909.
	£	£	£	£	£
Aluminous sulphates	77,496	67,210	74,634	56,525	47,800
Arsenic and its oxides	13,502	21,447	8,739	10,019	11,793
Bleaching materials ...	168,648	179,838	194,772	210,537	195,836
Carbide of calcium ...	2,011	3,285	2,066	1,482	847
Carbonate of ammonia	132,317	129,700	124,348	115,393	109,010
Coal products (not dyes) ...	2,661,148	2,249,892	1,880,253	1,678,783	1,455,210
Copper sulphate ...	1,701,219	1,719,504	1,508,881	783,425	854,278
Cyanide of potassium or sodium ...	562,230	673,316	682,265	633,329	594,547
Disinfectants, &c. ...	505,718	519,255	487,066	437,823	437,150
Dye stuffs ...	282,523	313,312	301,807	337,349	340,842
Glycerine ...	821,381	653,569	760,796	653,180	470,505
Hydrochloric acid ...	3,404	2,414	2,833	3,323	3,337
Muriate of ammonia...	127,075	161,156	186,929	171,201	168,247
Nitrate of potash ...	46,580	52,270	53,209	52,984	41,233
Soda compounds ...	1,869,555	1,886,989	1,864,388	1,874,752	1,702,985
Sulphuric acid ...	62,722	46,299	38,861	51,792	50,386
Tartaric acid ...	88,135	73,184	25,163	31,298	28,388
Unenumerated ...	1,465,153	1,493,712	1,522,983	1,973,865	1,778,241
Totals ...	10,590,725	10,246,372	9,730,593	9,077,060	8,279,535

We further show the value of the exports of chemicals according to the country of destination:—

Exports of Chemicals according to Countries.

Country.	1913.	1912.	1911.	1910.	1909.
	£	£	£	£	£
Russia ...	280,422	226,877	239,710	230,298	198,069
Sweden ...	221,878	171,091	188,594	175,915	142,430
Norway ...	200,276	160,634	123,672	114,567	92,679
Denmark ...	44,216	49,261	43,631	76,894	59,390
Germany ...	445,552	443,433	395,823	366,984	374,112
Netherlands ...	349,624	386,839	368,861	254,036	278,798
Java ...	33,844	37,301	30,233	32,138	31,064
Belgium ...	411,577	457,622	409,823	361,926	359,502
France ...	1,149,050	1,164,424	1,050,422	842,585	778,551
Portugal ...	160,069	158,342	148,091	109,330	125,736
Portuguese E. Africa	81,479	74,437	90,975	133,188	158,359
Spain ...	230,391	239,202	192,094	196,014	214,683
Italy ...	949,646	921,012	919,494	577,394	492,395
Austria-Hungary	79,550	198,085	94,007	56,551	78,143
Greece ...	75,350	86,186	92,023	37,822	27,889
Roumania ...	89,217	64,059	77,378	65,462	57,215
Turkey ...	41,838	43,350	62,039	64,273	47,735
Egypt ...	53,586	54,253	47,888	51,972	44,069
China ...	161,577	145,771	154,618	163,057	110,344
Japan ...	417,077	424,485	412,573	422,661	442,702
United States ...	1,366,344	1,167,186	1,220,744	1,348,471	1,127,766
Cuba ...	21,925	25,305	26,921	25,584	24,008
Mexico ...	132,107	247,589	276,405	216,775	185,321
Chile ...	63,901	66,417	69,905	61,316	43,407
Brazil ...	203,065	233,328	204,579	210,791	168,635
Uruguay ...	35,238	84,592	87,678	65,895	63,861
Argentine Republic ...	398,023	372,566	334,326	369,367	367,193
Other foreign countries	204,308	187,676	152,247	149,660	134,194

Total to foreign countries ...	8,203,953	7,882,396	7,424,420	6,780,782	6,235,789
Total to British Possessions ...	2,386,772	2,363,776	2,306,173	2,296,278	2,043,746
Total ...	10,590,725	10,246,372	9,730,593	9,077,060	8,279,535

From the above it will be seen that our most important customer is the United States, which took from us chemicals in 1913 of a total value of £1,366,344. Our second largest customer is France, whose trade, however, in 1913 in this line exceeded for the first time that of the United States, reaching

a total of £1,449,050. The third largest is Italy, which took from us last year chemicals to the value of £949,646. Then came Germany with a trade of £445,552.

Turning now to the imports, it will be found that we obtained our largest supplies of chemicals from Germany. Of the total imports, valued at £4,534,536 in 1913, Germany's share stands at £1,909,125. When we turn to dye stuffs and substances used in tanning the superiority of the German trade is very marked. In 1913 we imported dye stuffs to a total value of £2,462,444, and of this Germany sent us materials valued at no less than £1,742,962. The main item of the dye stuffs is that of aniline and naphthalene, which are products from coal tar. Though the invention of these articles is due to British brains, our manufacturers have allowed Germany to secure the trade by neglecting the invention at the start. Being quick to see the value of the new invention, German manufacturers took out patents which have had the effect of placing the industry practically entirely in their hands. We set out herewith a statement showing the value for each of the past five years of the chemicals and dye stuffs, &c., imported into this country:—

Imports of Chemicals.

	1913.	1912.	1911.	1910.	1909.
Acetate of lime ...	49,342	38,187	40,657	42,470	33,710
Acetic acid ...	55,790	83,741	90,906	87,919	73,632
Acetone ...	162,633	169,162	83,916	57,012	62,634
Bleaching materials...	34,372	43,746	36,947	27,709	26,938
Boracite ...	39,743	36,077	34,922	30,015	26,281
Borate of lime ...	148,187	125,321	120,492	91,224	105,003
Borax ...	15,029	25,887	21,142	24,122	19,810
Bristone ...	92,712	112,415	107,136	102,968	107,025
Carbide of calcium ...	272,445	189,912	201,643	133,282	133,273
Coal products (not dyes) ...	164,447	157,829	141,642	129,899	94,504
Cream of tartar ...	331,974	325,181	302,062	306,999	257,574
Glycerine ...	340,288	394,487	384,258	229,960	141,999
Muriate of ammonia ...	9,953	9,731	8,264	6,538	7,242
Nitrate of potash ...	240,966	217,190	218,304	216,358	200,148
Soda compounds ...	172,050	160,447	156,215	123,172	113,223
Sulphuric acid ...	8,960	8,744	5,072	4,680	4,900
Tartaric acid ...	247,377	223,681	200,299	203,365	172,117
Unenumerated ...	2,118,268	1,947,416	1,778,632	2,064,847	2,015,904

From Germany and Austria ...	1,909,125	1,747,936	1,508,843	1,493,147	1,296,894
Other foreign countries	2,404,784	2,319,208	2,237,344	2,227,364	2,142,690
British Possessions ...	220,627	202,010	186,272	162,028	156,333

Total ... 4,534,536 4,269,154 3,932,459 3,882,539 3,595,917

Dye Stuffs and Substances Used in Tanning.

	1913.	1912.	1911.	1910.	1909.
Cochineal ...	13,540	16,274	13,301	7,321	10,605
Cutch ...	71,545	137,402	139,233	86,803	49,283
Alizarine, &c. ...	272,245	263,723	257,833	283,180	244,196
Aniline & naphthalene	1,542,515	1,463,679	1,414,294	1,452,653	1,318,727
Synthetic indigo ...	76,695	90,862	85,143	101,249	117,100
Other coal-gas dye stuffs ...	570	311	895	1,308	3,965
Extracts for dyeing ...	128,437	138,549	143,140	156,359	159,121
Indigo ...	54,739	98,676	67,430	43,054	139,335
Unenumerated ...	302,128	279,216	228,930	221,148	236,137

From Germany ...	1,742,962	1,684,060	1,618,473	1,697,730	1,557,841
From other countries	719,482	774,632	731,726	655,345	720,628

Total ... 2,462,444 2,458,692 2,350,199 2,353,075 2,278,469

Having regard to the total cessation of imports from Germany, and the partial cessation from other countries, it will be realised that there is a considerable opportunity for chemical manufacturers in this country to increase their trade, and inasmuch as the Government has decided that patents taken out by enemies are revoked, at any rate during the war, and that after the war the state of affairs will depend upon the attitude taken up by the countries concerned, there should be a considerable impetus given to manufactures of various kinds which have hitherto not been available for British manufacturers. Apart from this, there is every reason to anticipate expansion in our staple industries, which would have the effect of calling for larger quantities of chemicals and chemical manufactures. In the circumstances, therefore, the position of the companies engaged in the industry will be of considerable interest, and we show herewith the progress made by one of the largest and most important companies in this country.

BRUNNER, MOND AND CO.

The profits for the past twelve months show a reduction as compared with those for the previous year.

The reduction is not due to smaller business, but chiefly to the fact that the Company has lowered its selling prices. For example, in 1912 it was announced that the directors had decided to reduce the price of soda ash by no less than £1 per ton, and six months later Sir John Brunner stated that the directors had a further reduction of prices in view, the aim being to obtain an increase of production and an increase of demand, and to raise profits thereby. As up to the time of the reduction in the price of soda ash the quotation remained steady for many years in the neighbourhood of from £4 to £4 5s. per ton, it will be seen that a reduction of £1 per ton was proportionately very large. In addition, higher prices had to be paid for raw materials and wages were raised. The profits of the past year have amounted to £851,290, as compared with £903,439 for the previous year. Twelve months ago general charges and income tax combined made a total debit against profits of £65,949. This year the item is shown as general charges alone, and only amounts to £23,845, so that the loss shown in profits is almost made up by this reduction on the debit side. Last year both the Preference and Ordinary capital were increased in amount, and consequently the Preference dividend has called for £105,000, as compared with £89,207 twelve months ago, while the 27½ per cent. Ordinary dividend requires £671,102 as compared with £629,164. After placing £2,500 to patents account, there is a debit of £9,259, which is deducted from the carry-forward, leaving it at £110,920.

To show the progress made by the Company for the past seven years we give below a statement of the capital, profits, and rate of dividend paid on the Ordinary share capital of the Company:—

Year ended March 31	Capital Expenditure	Share Capital	Profits	Ordinary Dividend	Reserve Fund
1914 ...	3,831,532	4,031,870	851,290	27½	1,388,000
1913 ...	3,487,878	3,098,870	903,439	27½	1,144,000
1912 ...	3,083,282	3,504,650	881,003	27½	900,000
1911 ...	2,956,126	2,789,500	871,789	27½	900,000
1910 ...	2,924,823	2,789,650	837,266	27½	900,000
1909 ...	2,871,218	2,789,650	792,265	27½	900,000
1908 ...	2,690,976	2,789,650	829,115	30	900,000

The following shows the manner in which the profits have been distributed for the past four years:—

Year ended March 31 - 1914	1913	1912	1911
Profits ...	851,290	903,439	881,003
Sundry expenses ...	81,947	121,609	114,877
Prof. dividend (7%) ...	105,000	89,207	65,210
Ordinary dividend (27½%) ...	671,102	629,164	571,873
Patents accounts ...	2,500	2,500	2,500
Reserve fund ...	—	—	100,000*
Balance ...	Dr. 9,259	£0 9s 9d	26,543
Brought forward ...	120,179†	61,220†	36,677†
Carried forward ...	110,920	122,179	63,220

* Placed to suspense account.

† Directors' fees deducted.

At March 31 last the total issued capital was £4,031,870; there was also a reserve fund amounting to £1,388,000 and a suspense account standing at £165,668. Patents account, which stood originally at £167,331, has been written down to £8,268. The Company has investments valued at £1,540,024, practically the same as twelve months ago. On the other hand, stocks on hand, which two years ago were valued at £462,000 and twelve months ago at £687,000, have risen during the year to £800,188. The additions to property during the year have amounted to £343,654, as compared with £398,596 for the previous year. The strong position built up may be seen from the following:—

Liabilities.	Assets.
Share capital ...	£ 4,031,870
Reserve fund ...	1,388,000
Suspense account ...	165,667
Savings bank depositors ...	102,420
Debts owing by the Company ...	334,988
Profit and loss account ...	535,789
	6,558,734
	Land, works, &c. ...
	Investments ...
	Patents account ...
	Stocks on hand, &c. ...
	Debts owing to the Company ...
	377,043
	Cash in hand ...
	1,674
	6,558,734

Sir John Brunner has modestly disclaimed our compliment of his Company being probably the most

scientifically administered concern in the whole of the country. But it certainly ranks very high in this respect, and its reputation is of the best. Occupying so strong a position it is able to meet competition with equanimity. Sir John Brunner at the last meeting, referring to the fact that the Company had been in existence for 33 years, pointed out that the dividends paid each year have been in excess of those prognosticated in the prospectus, and added: "Dr. Mond and I were conducting a growing business, and we were aware of the cost of everything we produced to a penny per ton." This statement alone is ample proof of the fact that the Company is well managed from a technical, commercial, and financial point of view. The trade is growing, and is likely to grow. With new opportunities opened up by the war the growth is likely to be large. We append recent quotations for the various shares:—

Amount £	Description	Par £	Price £	Dividend %
1,500,000	7% Pref.	10	14½	7
2,287,870	Ordinary shares	1	4½	27½
244,000	" " 8s. pair	1	1½	27½

SPIES PETROLEUM COMPANY.

A CIRCULAR has been issued by the board giving particulars of the present position of the Company. The policy is wise, and in view of the advice at the end, which will doubtless be adopted, the directors are to be congratulated on their action. It is pointed out that the production of the fields for the current year up to August 23 has been 10,548,000 poods, as compared with 8,947,735 poods to same day last year, and that work appears to be proceeding as usual. There is no mention either in letters, the last of which is dated August 3, nor in telegrams, the last of which is dated August 27, of any interruption of work either from the withdrawal of workmen for the war or from strikes. The strike at Baku seems to have ended as soon as the war began, and it seems improbable that the Russian Government will withdraw men from oil work for military purposes in view of the stoppage of all supplies of coal from England, large quantities of which were imported both by the Baltic and Black Seas. Owing to the irregularity of advices the Company has no complete record of the course of prices at Baku since July 27, but the fall which set in on the resumption of work at Baku seems to have been arrested, and the price appears to have recovered from 42½ copecks to 44½ copecks, at which it stood on August 28, the date of the last information. For the reasons given above it appears probable that prices will be maintained. It is added that under the whole circumstances the position of the Company appears very favourable. Its finances are strong and a large production appears to be certain. In the five weeks from July 20 to August 23 the value of the production, after making full allowances for the value of crude used as fuel, was at least 1,350,000 roubles, on which the profit should be something like £90,000.

"Having these circumstances in view, the directors think it to be their duty to advise shareholders not to sacrifice their shares at panic prices under the influence of rumours circulated by interested parties desirous of picking up the shares cheap. The board is convinced that but for the present abnormal conditions the price of the shares would be far above its present level."

MOUNT MORGAN.—Capital, £1,000,000, in £1 shares.

Year ends May 31	Tons Treated	Copper Tons	Gold Oz.	Price end of Period
1913-14	298,747	8,221	100,262	2½
1914-15.				
4 weeks to June 28 ...	23,630	615	7,511	2½
" " July 18	21,480	617	7,476	2½
" " Aug. 23	21,467	732	9,435	—
Dividends declared—1910-11, total, 4s. 1911-12, total, 4s.				
Account of 1912-13, total, 4s. Account 1913-14, total, 4s.				

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

FUNDS £10,000,000.

FIRE, INCLUDING LOSS OF PROFITS, LIFE, ACCIDENT, ILLNESS, ANNUITIES, PENSIONS, LEASEHOLD, BURGLARY, GLASS BREAKAGE, TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' RISKS, MOTOR-CAR RISKS, HORSE DRIVING ACCIDENTS, THIRD PARTY and EMPLOYERS' LIABILITY.

INSURANCES effected on the most favourable terms.

Edinburgh: 35 St. Andrew Square.

London: 5 Walbrook, E.C., & 55 Pall Mall, S.W.

BRITISH EQUITABLE

Assurance Company, Limited.

FUNDS EXCEED : : : : : £1,700,000
SUBSCRIBED CAPITAL : : : : : £300,000
PAID-UP CAPITAL : : : : : £34,500

LIFE : : : : FIRE
ACCIDENT : : : : BURGLARY
EMPLOYERS' LIABILITY
AND THIRD PARTY.

Write for particulars of Guaranteed Contracts, securing a bonus of £2 per cent.,

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SUN LIFE

OFFICE. ESTD. 1810.

LIFE AND ENDOWMENT ASSURANCES,
WITH or WITHOUT MEDICAL EXAMINATION.

SINKING FUND or CAPITAL REDEMPTION ASSURANCES.

Apply to the GENERAL MANAGER, 63 Threadneedle St., London, E.C.,
for the Society's New Pamphlet.

"THE MODERN METHOD OF STORING SAVINGS."

Insurance Notes.

LONDON AND LANCASHIRE FIRE INSURANCE COMPANY, LIMITED.

As usual, the annual report of this Company for last year provides cause for gratification to the shareholders. Increases in their dividends have been frequent during the past few years. The dividend in respect of the operations in 1913 is 27s. per share (12s. of which had been paid as interim dividend), as compared with 25s. for the preceding twelve months. But this does not exhaust the good things disclosed. For the directors announce their intention to increase the interim dividend for 1914 (payable next November) by 2s., so that the actual dividends paid and to be paid this year will amount to 29s. per share. Furthermore, the dividends declared in respect of 1913 did not represent as much as one-third of the normal earnings of the year, so that concurrently with an increased distribution the reserves have been greatly strengthened.

The fire account for 1913 shows a high proportionate profit. The premiums, increased by £68,185, amounted to £1,713,442, while losses (£846,644) and expenses of all kinds (£589,651) cost £1,436,295. After adjustment of the reserve for unexpired risks by additions thereto of £27,500, the trading profit seems therefore to have been £249,647, representing about 14½ per cent. of the year's premiums. Interest earnings on the fire fund amounted to £27,619, bringing up the total fire departmental profits to £277,266.

The marine account for 1913 shows an even better proportionate result. The marine premium income, increased by £7,494, amounted to £218,370, and the trading surplus, after payment of claims and expenses and adjustment of unexpired risks, was £49,355, or 22.6 per cent. of the year's premiums, apart from departmental interest earnings of £7,337. The

accident and general account also shows a substantial profit, the premiums, increased by £103,829, having amounted to £683,397, as compared with losses and expenses of £569,344. After adjustment of reserve for unexpired risk the trading surplus was £72,553, or 10.6 per cent. of the premiums, while departmental interest earnings amounted to £10,072. Thus the total departmental profits as above shown amounted to £416,583, of which £371,555 arose from profit and £45,028 from interest. To this has to be added a sum of £48,093, representing interest, less income tax, credited to the profit and loss account, bringing the gross profits of the year up to £464,676.

This amount has been disposed of as follows: The dividend for the year requires £134,308 for distribution (being 27s. less tax per share on 105,650 shares of £25, with £2 10s. paid); investments have been written down by £86,000; the sum of £43,500 has been applied to provide cost of businesses acquired; £100,000 has been added to the fire fund; the accident fund has also been increased by £100,000; £10,000 has been added to the staff pension fund, thereafter standing at £92,580; and, on the other hand, the balance carried forward in profit and loss account after provision for dividend has been reduced by £9,132.

Thereafter the funds, apart from paid-up capital and the staff pension fund, carried forward to 1914 are as follows:

Reserve fund	£ 1,000,000
Fire fund	788,000
Marine fund	187,500
Accident fund	373,500
Balance of profit and loss account	846,464
	3,193,464

This total represents about 122 per cent. of the combined premium income in 1913 in all departments, which aggregated £2,615,209 as above shown, disclosing a very strong financial position. The capital, paid up and uncalled, amounts in addition to £2,641,250.

The Company's total assets as shown in the balance sheet on December 31, 1913, amounted to £4,642,236, the auditors certifying that the aggregate market value of the securities was in excess of the amounts appearing therein.

WESLEYAN AND GENERAL ASSURANCE SOCIETY.

Founded in Birmingham in 1841, seven years before the establishment of the Prudential, this Society may be regarded as the pioneer in this country of industrial insurance business. It also conducts ordinary life business; and, although many of its juniors have far outdistanced it in magnitude of operations, it is a vigorous organisation, and the report for 1913 presented to the 73rd annual general meeting of members records the largest number of new transactions reported for any year in its history. In some respects it has lagged somewhat behind the times; for example, its powers of investment have been restricted in accordance with old-fashioned ideas, long ago exploded, as to the nature of securities appropriate for the funds of life offices, and a lower rate of interest has been in accordance realised than the average obtained during recent years by similar institutions. Thus the net interest yield, after deduction of income tax, was only about £3 10s. 4d. per cent. on the ordinary funds and about £3 9s. per cent. on the industrial funds, and whilst the rate of interest assumed in the valuations is 3 per cent., the excess, comparing results with assumptions, represents a smaller margin in the shape of profit from interest than usual. The attention of the directors was called to this point by Mr. H. W. Manly, the Actuary, in his valuation report as at December 31, 1912, and in December 1913 proposals for seeking Parliamentary sanction to enlarge powers of investment were approved at a special meeting of members, with the result that a Bill to secure this object was placed before the Legislature. In other respects some administrative reforms are desirable, notably, as will be seen from an analysis of the

accounts, in order to secure a reduction of the expenses of the industrial department, which are higher than is usual even in this necessarily costly class of business.

In the ordinary department there appears to have been great activity during 1913, and a very large increase in the business of this section is shown. The ordinary business relates to policies of small amount, the average amount of these in force being under £60 and the average of new ordinary policies in 1913 being under £50. The new policies issued numbered 14,104, for £663,027, as compared with 10,022, for £430,675, in 1912, when the amount of new business had established a record. The total ordinary life premium income was increased by £27,133 (or by about 15 per cent.) to £211,501, of which expenses charged to the ordinary section absorbed about 15.7 per cent. Through the year's operations the ordinary life fund was increased by £120,592 to £1,120,275.

The industrial revenue account for 1913 shows a premium income of £763,471, which is greater by £23,414 than that of 1912. Expenses, including new business charged, absorbed 49.7 per cent. of the premiums. The industrial life fund was increased during the year by £79,127 to £917,878.

The annual valuation was made by the Actuary on a 3 per cent. basis in both sections, the O^M Table of Mortality being employed for the ordinary department and the O^M(5) for industrial policies, and certain assumptions being employed as to duration of policies considered as appropriate by the Actuary to the nature of the industrial business, negative values being excluded. The surplus reported is £44,577, as compared with £58,417 on December 31, 1912. The reversionary bonus on ordinary policies is maintained at the satisfactory rate of 32s. per cent., at a cost of £36,189; but, whereas a bonus addition of 5 per cent. was declared on industrial policies of five years' duration and upwards last year, no such industrial bonus is announced as the result of the 1913 valuation, the balance of surplus (£8,388), after allocation of the bonus on ordinary policies, being carried forward.

The passing of the industrial bonus places the Company at a disadvantage for competitive purposes with other institutions engaged in this class of business, and emphasises the need for a reduction in expenses in this department. The Actuary concludes his report by observing that "with the passing of the Bill now before Parliament it is confidently hoped that a new era of prosperity will be opened," but while this feature may lead to enhanced interest earnings, it remains for the directors to see that greater economy is exercised in the development of the industrial section.

The sickness, funeral, and superannuation account shows a premium income of £3,422, and a relative fund on December 31, 1913, of £69,888.

The assets, according to the balance sheet at the close of last year, amounted to £2,161,329. The following classification shows the nature of the investments:—

Mortgages on property within the United Kingdom	£ 565,319
Loans on parochial and other public rates	1,175,057
Loans on the Society's policies within t' eir surrender values	133,383
Railway Preference stock (deposited with the Paymaster-General, in accordance with the Assurance Companies Act)	20,286
Freehold, chief and branch offices	79,415
Freehold and leasehold house properties	47,986
Freehold ground rents	3,320
Outstanding premiums and interest	80,100
Interest accrued	18,176
Cash on deposit	10,000
Cash in hand and on current account... ..	28,287
	2,161,329

HARROD'S STORES.—Interim dividend on Ordinary at the rate of 10 per cent. per annum.

WASTE HEAT AND GAS ELECTRICAL GENERATING STATIONS.—Interim dividend of 2½ per cent. on share capital, less tax.

THE ELECTRICAL ENGINEERING INDUSTRY.—II.

LAST week we dealt with the position of the electrical engineering industry as a whole and the possibilities afforded by the war. We also drew attention to some of the companies engaged in the industry. This week we deal with some further concerns.

DICK KERR AND CO.

In its present form the Company dates back to 1899, and its issued share and loan capital amounts to £806,060. In addition to its business of electrical contractors, especially for tramways, the Company also undertakes complete equipment of the same. The business is not confined to this country, but the Company has also carried out contracts in the Far East, Australia, South Africa, and Canada. One of the most important home contracts was that of the electrification of the line between Liverpool and Southport on the Lancashire and Yorkshire Railway, this being noteworthy as the first example of the electrification of a main-line system in the country. The business has been gradually placed on a broad basis and new departments have been added as opportunity has offered. Thus, during 1911 the manufacture of steam turbines was added to the other business. Moreover, in view of the great demand for metallic filament lamps it was also decided to erect a lamp factory for the manufacture of the filament lamps in this country. During the earlier years of the Company's existence the electrical manufacturing industry was enjoying a fair state of prosperity. Subsequently, however, with depression in the industry and intensification of severe competition results became less favourable, and though Dick Kerr and Company were not affected as early as other concerns, nevertheless, since 1909 the results have been on a much less prosperous scale than was the case up to that year.

The manner of the distribution of the profits may be seen from the following statement for the past six years:—

12 months to June 30—1913	1912	1911	1910	1909	1908
Net trading profits	£ 30,092	£ 3,275	£ 37,994	£ 22,821	£ 28,168
Deb. interest, &c. ...	11,183	11,551	11,760	12,105	12,393
	18,909	-8,276	26,234	10,716	15,775
Deb. stock premium ...	310	300	300	30	300
	18,609	-8,576	25,934	10,416	15,475
Preference dividend (6%)	18,300	18,300	18,300	18,300	18,300
	309	-26,876	7,634	-7,884	-2,825
Ordinary dividend ...	—	—	13,000	131 00	15,600
	—	—	(5%)	(5%)	(6%)
	709	-26,876	-5,366	-20,884	-18,425
Brought forward ...	10,016	26,892	42,258	63,142	81,567
Carried forward ...	10,325	10,016	36,892	42,258	63,142

The Company has accumulated a special reserve for extensions, &c., of £50,000 and a reserve under the trust deed securing the Debenture stock of £150,000. There was also twelve months ago a further special reserve of £16,000. This has been transferred for the purpose of writing down the book value of the investments, which now stand at £121,317, as compared with £149,191 twelve months ago.

The position built up may be seen from the following synopsis of the balance sheet of twelve months ago:—

Liabilities.	£	Assets.	£
Share and loan capital ...	806,080	Capital expenditure, good-will, and patents ...	611,393
Loans ...	105,053	Stocks, &c. ...	177,891
Sundry creditors, &c. ...	219,649	Debtors and bills receivable ...	165,328
Reserves ...	200,100	Contracts, &c. ...	250,936
Dividend interest due ...	14,574	Sundry investments, &c. ...	121,420
Profit and loss account ...	10,325	Cash ...	28,695
	1,355,661		1,255,661

At the meeting in October 1913 the Chairman stated that the Company was extremely busy at its works: "In fact we have never had more work than we have

at the present time, and I hope and believe that it will prove to be more satisfactory work than we have had for a very long time." He added that the board considered the business, as a whole, was in a most satisfactory condition. It is thus probable that, assuming nothing untoward happens in the way of labour troubles, for example, the results for the twelve months to June 30, 1914, will prove to be more prosperous than those for the previous year. The Company is well managed and should be able to take full advantage of the improvement in business and the more remunerative contracts that are now in existence. The £1 Ordinary shares are quoted at $\frac{1}{2}$, at which figure they seem cheap, and, indeed, as a lock-up investment we regard them as quite attractive. The £1 Preference share is quoted at $\frac{1}{2}$, giving a yield of $7\frac{1}{2}$ per cent. The Four-and-a-Half per Cent. Debenture stock is quoted about $91\frac{1}{2}$, giving a yield of nearly 5 per cent.

CALLENDER'S CABLE CONSTRUCTION CO.

As the name implies, this Company is largely interested in the manufacture of cables. The workshops were kept continuously busy during 1913, large orders having been secured both at home and abroad, while the most satisfactory aspect of the year's trading was the regular increase in the general business in all classes of cables manufactured at Erith. The increased use of electricity for power in mills and factories and on railways has brought important orders for cables to the Company, and as it appears likely that considerable extensions in this direction will take place in the near future complete arrangements have been made to deal with the higher voltages and increasing the requirements of this branch of supply.

During the year considerable developments have taken place in regard to telephone work, and considerable orders have been executed for the Colonies and abroad. But it is in one particular direction, however, that special interest is attached. It is, of course, well known that in January 1913 the telephone system of this country passed into the hands of the Government, and after lengthy negotiations contracts were entered into in November last between the Company and the General Post Office by which much of the telephone development work in the South of England is to be undertaken by the Company. These contracts have already resulted in important orders for the laying of conduits and for the cables required therein. "The telephone department is, therefore, very busy both in the factory and in the numerous towns in which active operations are proceeding, and there is every prospect of continued activity during the present year." To render it possible to deal efficiently with the increased work thus secured considerable additions to the plant and some reorganisation of the existing machinery were made at

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By the Special Process which the "KROPP" Razor undergoes in manufacture EXACTNESS and QUALITY of THE FEEL and TEXTURE are secured, rendering the Daily Shave a Luxury.
 Wholesale, Osborne, Garrett & Co., London, W.

the Erith factory, and much of the cost of this has been charged to repairs and renewals account. It will thus be gathered that the Company has secured a very important piece of business, and the outlook in this direction appears very promising.

Fresh agreements for the representation of the Company in South Africa and in several of the South American republics have been entered into, and other arrangements made for the extension and consolidation of the Company's business in cables for light, power, and telephones, and in rubber wires. The Anchor Cable Company of Leigh, which is controlled by the Callender's Company, has again had a prosperous year. The sales of rubber wires and cables have considerably increased, and the directors have declared a dividend of 15 per cent., as in the previous year, besides adding considerably to the amount of undivided profits. The electrical undertakings in which the Callender Company holds shares and Debentures are making steady and satisfactory progress, "the use of electricity for power, especially in the manufacturing districts, is steadily increasing, and the Company has secured a large amount of business resulting from its connection with these undertakings."

In the following statement we set out the manner in which the profits have been distributed during the past five years:—

Year ended December 31—	1913	1912	1911	1910	1909
Trading profits ...	£ 159,235	£ 153,179	£ 129,569	£ 98,205	£ 98,135
General expenses ...	53,580	52,449*	44,079	35,826	37,106
Repairs and maintenance, &c. ...	14,194	13,841	8,655	6,540	6,667
Depreciation and renewals ...	9,265	8,925	8,627	8,218	8,294
Interest on Debentures, 4½% ...	13,500	13,500	13,500	13,500	13,500
Preference dividend, 5% ...	10,000	10,000	10,000	10,000	10,000
Ordinary dividend ...	26,250	26,250	26,250	26,250	26,250
	(15%)	(15%)	(15%)	(15%)	(15%)
Balance ...	32,846	33,214	18,458	-2,129	-3,682
Brought forward ...	91,745	58,531	40,073	42,202	45,884
Carried forward ...	124,591	91,745	53,531	40,073	42,202

* Includes £5,200, cost of formation of Callender's Share and Investment Trust.

The following shows the position built up:—

Liabilities.		Assets.	
	£		£
Share and loan capital ...	675,000	Property, &c. ...	354,938
Reserve, &c. ...	105,112	Stocks ...	135,834
Trade creditors, &c. ...	316,925	Expenditure on contracts ...	137,147
Loan ...	100,000	Sundry debtors, &c. ...	299,967
Profit and loss account ...	142,031	Investments ...	374,095
		Cash and bills receivable ...	37,157
	1,339,128		1,339,128

A sound and strong position has thus been secured, and the outlook is distinctly promising. The important contract secured with the General Post Office should keep the Company busy for some time, and the general spread both of the telephone industry and the electrical industry should mean increasing business for some time to come.

The following are recent quotations for the securities:—

Amount	Description	Par	Price	Dividend	Yield
£		£	£	%	£ s. d.
300,000	4½% 1st Mort. Debs. ...	100	98½	4½	4 12 6
200,000	5% Ocm. Pref. ...	5	5½	5	4 18 6
175,000	Ordinary shares ...	5	12½	15	6 5 0

COPPER.

MESSRS. MERTON AND COMPANY'S figures as to the European statistical position of the last four months have been as under:—

	August	July	June	May
	Tons	Tons	Tons	Tons
Stocks, England and France ...	23,108	22,314	20,464	18,618
Afloat, Obill and Australia ...	4,825	4,425	5,200	5,700
Stocks, Holland and Germany ...	6,873*	6,873	7,607	8,052
„ other European ports ...	500	500	475	600
Total ...	35,303	34,112	33,746	32,970
Supplies, England and France ...	26,623	43,310	50,636	51,447
Deliveries ...	25,429	42,969	49,735	48,35
Price (standard) end of month ...	£56 10s.	£56 10s.	£60 5s.	£63

* Assumed same as for July.

A PROFITABLE ASSURANCE.

SPECIAL COMBINATION securing in return for a Limited Number of Premiums a fixed Sum at Death, whenever it may happen, and a

Large Guaranteed Bonus during Lifetime

together with valuable options and additional benefits.

EXAMPLE.—Age 25. Sum Assured, £500.

Annual Premium (payable for 20 years only) - £23 15 8

GUARANTEED RESULTS:

(a) In case of death during the term, PROFIT varying from £182 to £484.

(b) In case of survival,

ULTIMATE PROFIT of £273, in addition to 20 years' accumulated Bonuses.

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

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LONDON & MIDLAND

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PROFITS & INCOME INSURANCE COMPANY, Limited.

9 FLEET STREET, LONDON, E.C.

Assets exceed: £285,000. Capital Paid-up: £40,000.

The Company issues SICKNESS and ACCIDENT POLICIES of every description, assuring against temporary or permanent LOSS OF INCOME up to age 65. Special attention is directed to the Company's permanent contracts, which are continuous and non-terminable, meeting a demand not provided for by the ordinary Annual Contract Sickness Policies.

Under the NEW "PERFECTED" SICKNESS and ACCIDENT POLICY the payment of Insurance premiums of all kinds, Rent, Income Tax, and other Annual fixed charges, is covered during incapacity from illness or accident.

CHAS. WINDETT, Actuary and Secretary

COMMERCIAL UNION

ASSURANCE COMPANY, LIMITED.

Chief Office - CORNHILL, LONDON.

Total Assets (Including Life Funds)—£24,902,252.

ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £19,618,135

FIRE, LOSS OF PROFITS; MOTOR CAR, MARINE, LIFE, ACCIDENT, FIDELITY, BURGLARY, LIVE STOCK, ENGINEERING.

HEAD: 1 North John St., LIVERPOOL
OFFICES: 24-28 Lombard Street, LONDON

Commercial.

SPELTER.

SPELTER has had the most sensational of the market movements in prices of metals since the war cloud burst. The reason is that the vast bulk of the supplies of the metal used in Great Britain comes from abroad, the chief sources being Germany and Belgium. Our total imports last year amounted to 145,000 tons, compared with 137,000 tons in 1912 and 115,000 tons in 1911, while the British production, which in 1911 was 66,000 tons, fell to 56,000 tons in 1912 and rose slightly to 58,000 tons last year. It will thus be seen that we are enormously dependent upon imports for the satisfaction of our industrial needs.

The chief uses of spelter lie in the production of brass and the protective coating of steel rolled into sheets. In view of the facilities available for procuring spelter rapidly from the Continent, it has never been the custom for large stocks to be held in this country, the result being that on the outbreak of the war and the cutting off of the supplies from Germany

and Belgium, consumers, and dealers too for that matter, took fright and prices from about £22 a ton leaped upwards to £30, £40, and even higher. The satisfaction of requirements of firms engaged upon Government ammunition contracts became then of paramount national importance, and the position was regarded as so serious that the Admiralty took the unprecedented step of commandeering all the spelter in the railway and canal warehouses in Birmingham, holding it at the disposal of consumers requiring metal. This step was followed by instructions from the authorities to all the English smelters practically forbidding them to make deliveries unless such were approved officially. Meantime, however, efforts had been made to procure supplies from other oversea quarters, and as luck would have it America came to the rescue. Trade in the United States had been for months very poor in spelter, and the production showing a considerable increase for the first half of this year compared with the second half of 1913, a stock had been accumulated amounting to 64,000 tons, compared with 40,000 tons at the beginning of the year and 22,000 tons a twelvemonth ago.

It was this stock which saved the situation in England, but not before panic-stricken prices had been paid. Dealers had been caught short rather heavily, and these were forced to cover their sales in American material. With a relaxation in the market position owing to sales from the United States prices for forward delivery weakened materially, and a calmer tone now prevails, but the general situation is still complex. The trade is presumably still nominally ruled by the Convention, which comprises practically all the European producers, and which should last till 1916; but its days are numbered—as are those of all German-ruled syndicates with which the houses of civilised nations have hitherto been associated.

Part of the Continental output of spelter is obtained from Australian concentrates sent to Europe (mainly to Germany) for treatment. The spelter content of these concentrates is about 180,000 tons a year. The impossibility of shipping these concentrates to Germany now, and the equally impossible task of getting payment for any cargoes sold and delivered to that country under existing conditions, has caused a general stoppage of operations in the Australian Broken Hill mining field, and it remains to be seen what the sequel will be. At the moment certain consignments headed for Germany have been diverted to English ports, and will, no doubt, in due course find their way into works here; but there is a difficulty in handling unlimited quantities of Broken Hill concentrates in this country, for our plants are more laid out as a rule for dealing with ores—calamine and blende—though at least one works can treat them in bulk. Whether after the war we shall be in a position to take care of the Broken Hill output, instead of allowing practically all of it to go to Germany, will probably be determined by the success or otherwise of the tentative efforts now being made to ensure the transference of the industry to our shores. It certainly appears anomalous that Germany should enjoy a practical monopoly of the treatment, often by British coal, of ores produced by British capital and labour in a British colony, the resulting finished product being largely sold to the British market, and the old order of things is bound to be modified. It will, however, take time for the laying down of new works to handle the huge quantities of material concerned, to say nothing of the needful experience being gleaned. Nevertheless, it is unthinkable that Germany should retain this trade to the detriment of British industrial effort after the war. This much may be taken for granted, that many of the spelter works in Belgium have been destroyed, those near Liège having certainly suffered severely, and it is quite possible that those in Germany will not pass unscathed, particularly plants in Silesia. Even under the best

circumstances it will require months for the return to industrial pursuits of the forces in the field, both here and abroad, and the frightful loss of life must also be taken into the reckoning as denuding the labour supply. Output in England could to-day be increased if the men were to be had. The end of the war will probably see a reduction in the use of the metal for ammunition purposes—lately a most important matter.

The world, however, cannot face with indifference the cutting off of about 50 per cent. of its output of spelter, and the restoration of normal outputs is likely to be a fairly long job, because of the special conditions indicated; hence prices should rule comparatively high for a good time. Very fortunately for us, we are likely to be spared the horrors of a German occupation; hence we are in a position of commanding advantage compared with our Continental allies, and our spelter works should be able, therefore, to turn their many advantages to the best and most fruitful account.

The position of the leading producing countries is shown below, the returns being those of Messrs. Merton:—

	1913	1912	1911	1910	1909
	Tons	Tons	Tons	Tons	Tons
Belgium	184,590	197,045	192,020	169,860	164,470
Holland	23,940	23,565	22,375	20,645	19,240
Germany, East ...	167,440	166,425	153,715	138,040	137,490
Germany, West ...	111,055	100,370	92,735	88,120	79,125
Great Britain ...	58,215	56,330	65,900	62,085	58,415
France and Spain ...	69,905	70,930	63,210	58,210	55,235
Austria and Italy ...	21,300	18,795	18,610	13,095	12,440
Poland	8,500	11,000	9,780	8,495	7,820
Australia	3,665	2,260	1,700	500	—
United States of America	315,240	309,625	263,260	246,680	236,660
Total	990,850	958,335	881,305	803,730	770,695

The figures as to countries that take zinc for consumption are given—in metric tons—below:—

	1913	1912	1911	1910	1909
	Tons	Tons	Tons	Tons	Tons
United States... ..	313,300	312,900	251,600	244,500	246,900
Germany	232,600	225,800	219,300	184,500	188,100
Great Britain	184,600	185,200	175,700	177,800	155,500
France	81,000	82,000	82,000	56,000	66,900
Belgium	76,400	77,200	73,700	78,500	64,600
Austria-Hungary ...	40,400	48,800	43,600	33,800	32,800
Russia	33,300	27,900	28,900	24,900	18,400
Italy	10,900	10,700	10,100	8,100	8,200
Spain	5,900	4,700	4,900	4,200	4,500
Holland	4,000	4,000	4,000	4,000	4,000
Other countries ...	20,900	19,700	17,800	12,400	9,000
Total	1,012,700	998,900	911,400	827,000	798,000

LANCASHIRE COTTON INDUSTRY.

Those engaged in the cotton industry of Lancashire are a little more hopeful than a few weeks ago, but there is no distinct encouragement in the way of more business being done. One considerable obstacle in this connection is the fact that the postal authorities are still preventing telegrams being sent in code, but the Manchester Chamber of Commerce are making representations to the Government on the question. The reduction in the insurance rate from

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three to two guineas per cent. has been a move in the right direction, and should help to facilitate shipping. This week Oldham Wakes have been celebrated, and the mills in that town have been entirely closed. It is said that clearances of piece-goods in India are being made on a fair scale, and it is thought that the lessened imports will result in the appreciation of supplies, which are heavy. The fall in silver makes matters unfavourable for trade with China. It is said to be quite unsafe to send goods at the moment to Constantinople.

Cotton growers in Egypt are expecting difficulty in financing the crop for the season which we have now entered upon. On Wednesday last a meeting of various people was held in Manchester to consider the situation and, if possible, arrange to help growers abroad, but the problem is a rather difficult one to tackle. Artificial conditions continue to prevail in the Liverpool market, and Lancashire spinners are very dissatisfied at the state of affairs. Prices are being kept up by brokers in Liverpool, quite irrespective of any change in the outlook. A joint committee has been formed of representatives of the Federation of Master Cotton Spinners and the Manchester Cotton Association to deal with the matter, and it is quite possible that strong action will be taken.

It may be said that the American crop for the season ending August 31 amounted to 14,588,591 bales, as compared with 14,167,115 bales in the year before and 16,138,426 bales in 1911-12. On Monday last the United States Government published an interesting report on the condition of the new crop, the figure being 78 per cent., against 76.4 per cent. a month previous and 68.2 per cent. same time last year. The statement was rather better than expected. Unless some disaster occurs to the growth there seems to be every probability of the yield being nearly 15½ million bales, but, of course, it is rather early for any definite estimate to be given out.

MEETINGS.

WORKINGTON IRON AND STEEL COMPANY, LIMITED.

At the annual general meeting on August 28 the Chairman, Sir John Scurrah Randles, M.P., in moving the adoption of the report and statement of accounts, said: The directors are satisfied that they are presenting to you to-day the result of a vast amount of work, which, in its conclusion, is certainly satisfactory. The year commenced with trade in a very good condition—orders were plentiful—but as the year went on the volume of business was sensibly diminished and we saw a very considerable decline in values; but notwithstanding this, you will see that practically our results for the year just terminated were about the same as for the preceding year. You will notice that the proposed distribution which we are intending to make follows almost exactly on the lines of twelve months ago. We are proposing the same amount in dividends, the same amount in depreciation and to reserve, and the balance carried forward is almost the same—£22,611, against £21,957 a year ago. The only item that has disappeared is the item "Formation expenses," which we do not require to write off any further, because they were finally done with twelve months ago. There is a sentence in the report which follows the proposed distribution on which a number of letters have been written by shareholders. The sentence in the report is rather a precautionary one, relating to the date for the payment of the dividend. As a matter of anticipation, my own impression is that there will be no interference with the usual date for the payment of our dividend; and all we ask you to do is to pass the resolution in the form in which it will be proposed to you, which will give, in an unexpected event, power to the directors to determine the exact date; but as I tell you, I expect it will be the usual date—October 1. There is a reference to the returns from the various investments of the Company, which have been remunerative. I do not think I need make any comment except in regard to one item which has disappeared from your balance sheet, and that is the Pallaflat Iron Ore Company. We were heavily interested in that concern and held a considerable sum in Debentures, and in order to assure ourselves of a certain valuable area of iron ore property which belonged to the Pallaflat Company, seeing that the Pallaflat Company were not doing any good, we asked them to liquidate themselves and to hand over to us the portion of their property which we conceived to be of very considerable value. I regret that Mr. Burnyeat, who takes charge of our mining interests, is not here to-day, but he informs me that he doubts whether there is a mineral property in the county that is really of more prospective value than High Walton. The royalty which we took from the Pallaflat Company is the equivalent for the amount that was owing to us on Debentures. That is the only change in the investments as they appear on the balance sheet. You will notice that the debts due to the Company are very substantially reduced this year, but that is as it happens. The various figures on the balance sheet in a concern like this fluctuate and vary from year to year, according to the accident of the moment at the time of stocktaking; but on the whole I think you will gather from a study of the figures on the balance sheet that our financial position was never so sound, and that we are steadily strengthening our reserves and the prospects of the Company, so far as the finances go. I think I need not say anything more on those particular points. I might mention to you that during the year—last winter—I took the opportunity to visit our Mysore manganese mines. Those mines have opened out in a manner which is, I think, more than satisfactory. I believe you have in India one of the biggest manganese properties that you could have found in any part of the globe. At a time like the present a supply, an assured supply, of manganese ore—which is assured so long as the British fleet holds the seas—is of very great value. As you all know the amount of manganese ore mining land in the world is limited—very severely limited—to a few areas, and I think it is a matter for great congratulation to this Company that we are the possessors of one of those areas, and not one of the worst of them. With regard to the prospects for the coming year, one has to be very careful in a time like this what one says. So far as the prospect goes, in iron we have a good order book; but our order book for rails, which is the main outlet usually, is not so good. This is a time when railway companies are slow to purchase. Now, if our own Government departments who have to do with the construction of railways throughout the whole of our Empire, whether it be in India or Australia or at the Cape, or no matter where, if they would see to it that, so far as they possibly can, orders are distributed for railway material at a time like this, they will be doing more for this country than by contributing a great many thousands of pounds to the relief of distress—they will be doing a great deal to prevent distress. Twenty thousand tons of rails placed as an order in these works would not only keep the steelworks employed, it would keep the iron workers, the coal miners, the iron-ore miners, the railway workers—all the allied industries—in active employment and remove to a very large extent the need for relief funds. I think we should be doing better to keep these works in full

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employment during the coming weeks and months than if we were to subscribe very large sums in order to relieve the distress which will be prevented if we can manage to keep employment. I am sanguine that the loss of trade to Germany, and, indeed, to the continent of Europe, will, in some directions at any rate, be of material benefit to us, so that we do not need to take any gloomy or pessimistic view or the future.

The declaration was agreed to of a final dividend of $3\frac{1}{2}$ per cent., less income tax, making 6 per cent. for the year on the Ordinary shares for the year ended June 30, 1914, "such dividend to be paid on a date to be fixed by the board."

LAFON RIVER TIN AREAS (NIGERIA), LIMITED.

At the general meeting of this Company held on September 2 Mr. James Gardiner, who presided, said: In the circumstances I have been deputed by my colleagues to take the chair. The directors are sorry the report is not more favourable, but it must be borne in mind that the Lafon property has been an exceedingly difficult proposition. In the first place, the majority of the deposits of ore have been of a low grade and heavily mixed with ilmenite, especially in the river courses. This has rendered extraction difficult and necessitated much experimental work in order to arrive at a solution. Secondly, the deposits discovered away from the stream beds have been patchy and much scattered, making the cost of prospecting particularly heavy. And, finally, the serious fall in the price of tin, which occurred during the period of realisation, materially affected the returns with which we had to carry on. The importance of this last factor may be better appreciated when I tell you that between the date of our first sale and that of our last sale for this account the fall in metallic tin was £90 per ton. This, it is estimated, represents an adverse difference of £4,000 to £5,000 more or less on the value of the ore marketed.

Magnetic Separation.

Our Engineer, we are glad to say, has solved the question of extraction to a certain extent, and the installation of a magnetic separator will, it is expected, complete the operation. There has, I regret to say, been considerable delay in the transport of this apparatus. Whereas previously

we were restricted to dry-weather working, owing to the location of the known deposits being in the river bed, we have now developed ground which should enable us to work throughout the year. A considerable amount of work has been done, and, given normal conditions, we may view the outlook hopefully. We have already proved some 400 tons of payable ore, and a steady output may be expected. We have also had favourable news in regard to cost of transport, in reference to which we have been notified that while tin remains at a price below £190 per ton the through rate of freight from railhead in Nigeria to Liverpool will be £15, as against £22 10s. per ton in the past. Owing to the existing state of war, however, the ocean freight has been increased by 25 per cent., and while this condition prevails the extra charge will be 13s. per ton. Royalties also have been placed on a lower basis, making a further reduction in working costs, so long as tin stands below £150 per ton.

Following on this the most important fact is the arrangement we have entered into with the Niger Company, whereby their engineering staff will take charge of the general management of the property, thus ensuring the maintenance of an adequate and efficient European staff on a more economical basis than has hitherto been practicable, and also, what is still more important, guaranteeing a continuity of policy, the lack of which has been the great stumbling-block in Nigerian enterprises. This arrangement has only been arrived at by a lengthy process of negotiation, and, after much anxious deliberation on the part of your board, the financial position has been placed on a satisfactory footing, which will, we trust, ere long put the Company on a remunerative basis. It is not necessary for me to go into the details of the arrangements made, and I do not think you would wish me to do so, as it would not be politic nor to our interest, but I will ask you to accept the assurance of your directors that they are reasonable and eminently satisfactory. I now move: "That the directors' report and balance sheet for the period ended March 31, 1914, now presented to this meeting, be and the same are hereby received and adopted." I will ask Mr. Pearson to second the resolution.

Mr. Charles E. Pearson seconded the resolution, which was carried unanimously.

The Chairman then moved the re-election as a director of Mr. Arthur H. Young. This was seconded by Mr. Pearson and carried unanimously.

Messrs. Price, Waterhouse and Co. were reappointed auditors, and the proceedings terminated with a vote of thanks to the Chairman.

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PUBLISHED WEEKLY.

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UNCALLED CAPITAL 4,645,575

£6,194,100

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K. TATSUMI, Manager.

London Office—

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TENDERS for METROPOLITAN WATER BOARD BILLS.

1.—The Metropolitan Water Board hereby give notice that Tenders will be received at the Chief Cashier's Office, at the Bank of England, on MONDAY, the 14th September, 1914, at one o'clock, for Metropolitan Water Board Bills to be issued in conformity with the Metropolitan Water Board Act, 1906 (6 Edward VII., cap. 87), to the amount of £1,000,000 (one million pounds) in replacement of current Bills.

2.—The Bills will be in amounts of £500, £1,000, £5,000 or £10,000. They will be dated the 18th day of September, 1914, and will be payable at six months after date, viz., on the 18th day of March, 1915.

3.—The Tenders must specify the net amount per cent. which will be given for the amounts applied for; and the Tenders of Private Individuals must be made through a London Banker.

4.—The Bills will be issued and paid at the Bank of England.

5.—The persons whose Tenders are accepted will be informed of the same on Tuesday, the 15th September, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England not later than Three o'clock on FRIDAY, the 18th September, 1914.

6.—The Metropolitan Water Board reserve the right of rejecting any Tenders.

7.—Tenders should be on the printed form, which can be obtained from the Accountant to the Board at these Offices, and at the Chief Cashier's Office, Bank of England, or at any of the Branches of that Bank.

A. B. PILLING, Clerk.

Metropolitan Water Board Offices,
Savoy Court, Strand, W.C.,
7th September, 1914.

PARKERS BURSLEM BREWERY LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Four per Cent. Debenture Stock and the Four-and-a-Half per Cent. Debenture Stock of this Company will be Closed from the 15th inst. to the 29th inst., both days inclusive.

W. A. COWLISHAW, Secretary.

Dated Burslem, September 2nd, 1914.

DICKINS AND JONES, LTD

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company's Five per Cent. Cumulative Preference Shares will be Closed from the 16th to the 30th instant, inclusive, for the preparation of the Warrants for the Half-yearly Dividend due 1st October, 1914.

By Order,
J. P. OLDROYD, Secretary.

Registrars and Transfer Offices,
Messrs. W. B. Keen and Company,
23 Queen Victoria Street, London, E.C.
12th September, 1914.

THE AUSTRALIAN ESTATES AND MORTGAGE COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Four-and-a-Half per Cent. First Mortgage Debenture Stock of the above Company will be Closed from the 17th to the 30th September, 1914, both days inclusive, for the preparation of Interest Warrants payable on 1st October, 1914.

By Order of the Board,
A. W. STEVENS, Secretary.

Offices of the Company,
96 Leadenhall Street, E.C.,
9th September, 1914.

NORFOLK AND WESTERN RAILWAY COMPANY.

The Annual Meeting of the Stockholders of the Norfolk and Western Railway Company will be held at the principal office of the Company in the City of Roanoke, Virginia, on Thursday, the 8th day of October, 1914, at 10 o'clock a.m., to elect Directors, to elect independent Auditors to audit the books and accounts of the Company at the close of the fiscal year, to consider the annual report of the Directors for the fiscal year which ended June 30th, 1914, to ratify and approve all action of the Directors set forth in such annual report and in the minutes of the Company, and to transact such other business as may properly come before the meeting.

The Stock Transfer Books will be Closed at 3 o'clock p.m., Wednesday, September 23rd, 1914, and Reopened at 10 o'clock a.m., Friday, October 9th, 1914.

By Order of the Board of Directors,
E. H. ALDEN, Secretary.

TENDERS.**THE SOUTH INDIAN RAILWAY COMPANY, LIMITED.**

are prepared to receive Tenders for the supply of:

1. STEEL RAILS 4½ lb. and FISHPLATES about 1,790 tons.
2. SCREW SPIKES No. 245,700.
3. BRIDGEWORK, about 59 tons.
4. STEEL BEARING PLATES, about 31 tons.

Specifications and Forms of Tender may be obtained at the Company's Offices.

Tenders addressed to the Chairman and Directors of the South Indian Railway Company, Limited, marked "Tender for Steel Rails and Fishplates," or as the case may be, must be left with the undersigned not later than One o'clock on Wednesday, the 30th September, 1914. The Company is not bound to accept the lowest or any Tender.

A charge, which will not be returned, will be made of 40s. for each copy of specification No. 1, and 10s. for each copy of Nos. 2, 3, and 4.

Copies of the drawings may be obtained on payment at the office of Robert White, Esq., M.Inst.C.E., Consulting Engineer to the Company, 3 Victoria Street, Westminster, S.W.

By Order,
V. E. DE BROE, M.Inst.C.E.,
for Managing Director.

Company's Offices—
91 York Street,
Westminster, S.W.,
8th September, 1914.

THE MORGAN CRUCIBLE COMPANY, LIMITED.

The Transfer Books of the Company will be Closed from September 12th to 30th inclusive for the preparation of Dividend Warrants.

By Order of the Board,
H. C. V. ADAMS, Secretary.

Battersea Works, S.W.

LONDON ASSURANCE CORPORATION.

7 Royal Exchange, London, E.C.,
7th September, 1914.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Corporation will be Closed from the 10th to the 24th instant, both dates inclusive, for the preparation of the Dividend payable on the 1st October.

O. A. DENTON, Secretary.

THE NATIONAL BANK OF INDIA, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Bank will be Closed from the 10th to 17th inst., both days inclusive.

By Order of the Board,
C. NICOLL,
London Manager.
The National Bank of India, Limited,
25 Bishopsgate, London,
9th September, 1914.

MANN, CROSSMAN & PAULIN, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books relating to the Four per Cent. Irredeemable Mortgage Debenture Stock and the Four-and-a-Quarter per Cent. Cumulative Preference Shares of this Company will be Closed from 3 p.m. on Wednesday, 16th September, to the 30th inst., inclusive, preparatory to the payment of the Half-yearly Interest and Dividend due 1st October, 1914.

By Order,
A. B. MASON, Secretary.
The Albion Brewery,
Mile End, London, E.

THE GRAND TRUNK RAILWAY COMPANY OF CANADA.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company, so far as regards the Perpetual Four per Cent. Consolidated Debenture Stock, will be closed from SATURDAY, the 19th September, to TUESDAY, the 13th October, 1914, both days inclusive.

Warrants for the interest accrued to the 30th September, 1914, will be forwarded on the 13th October next to all proprietors of this stock registered on the Books of the Company on the 18th September, 1914.

And notice is also given that the Transfer Books of the Company, so far as regards the Four per Cent. Guaranteed Stock, will be closed from SATURDAY, the 10th October, to FRIDAY, the 30th October, 1914, both days inclusive.

Warrants for the half-year's dividend to the 30th June, 1914, will be forwarded on the 30th October next to all proprietors of this stock registered on the Books of the Company on the 10th October, 1914.

By Order,
H. H. NORMAN, Secretary.

Dashwood House,
9 New Broad Street,
London, E.C.,
11th September, 1914.

THE STOCK EXCHANGE.**NOTICE.**

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

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Street, Boston, Mass.

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For Colonies and Abroad (within Postal Union).

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IMPORTANT NOTICE.

All Editorial communications should be

addressed to the Editor.

Business communications should be addressed
to the Manager,

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Deputy-Chairman:—J. W. BEAUMONT PEAKE.

Capital Subscribed	-	-	-	-	£31,304,200
Capital Paid up	-	-	-	-	5,008,672
Reserve Fund	-	-	-	-	3,800,000
Advances, &c.	-	-	-	-	56,839,921
Deposits, &c.	-	-	-	-	107,321,851

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with Absolute Security of Capital and
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London: 83 King William Street, E.C.,
and 3 Pall Mall East, S.W. Dublin: 59 Dawson Street.

IMPORTANT NOTICE.

In the circumstances, Subscribers on the Continent must expect delay or even non-delivery of "THE STATIST" until the restoration of normal postal facilities.

The Statist.

LONDON, SATURDAY, SEPTEMBER 12, 1914.

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The Money Market.

Friday Evening, September 11, 1914.

Bank of England Rate.	5 per Cent. (Aug. 8, 1914)
	6 per Cent. (Aug. 6, 1914)
	10 per Cent. (Aug. 1, 1914)
	8 per Cent. (July 31, 1914)
	4 per Cent. (July 30, 1914)
	3 per Cent. (Jan. 29, 1914)

Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Bank Bills ...	3½-½	3½-½	3½-¾	3½-¾
Trade Bills ...	—	5½	5½-6	5½-6

Deposit Rates:—

	DATES FIXED.	AT CALL	(SHORT NOTICE) 7 DAYS. 14 DAYS.
Banks	September 4, 1914	—	3 ... 3
	August 8, 1914 ...	—	3½ ... 3½
	August 6, 1914 ...	—	4 ... 4
	August 1, 1914 ...	—	5* ... 5*
	July 31, 1914 ...	—	4 ... 4
	July 30, 1914 ...	—	2½ ... 2½
Discount Houses	January 29, 1914 ...	—	1½ ... 1½
	September 4, 1914	3	3½ ... 3½
	Aug. 27, 1914 ...	3½	3½ ... 3½
	August 8, 1914 ...	4	4½ ... 4½
	August 1, 1914 ...	5	5½ ... 5½
	July 31, 1914 ...	4½	4½ ... 4½
	July 30, 1914 ...	2½	2½ ... 2½
	January 29, 1914 ...	1½	1½ ... 1½

* Head Office and Metropolitan Branches only.

MONEY.

THERE has been some ignorant criticism of the Government because it has begun to form a reserve against the new emergency currency which it has issued to tide the country through the crisis caused by the outbreak of war. If our daily contemporaries understood the subject with which they deal a little better, they would see that the Government is to be applauded and not censured for what it has done. It knew that if the three millions had been allowed to remain in the Bank as the property of the Bank they would be in the issue department of the Bank, and the Bank would in consequence issue £3,000,000 of notes. Then everybody would cry out that the Bank ought to reduce its rate of discount since it had so unusually large a reserve, forgetting all the time that there has been a colossal issue of Government emergency notes which must be met some time or other. In fact, if the critics had their way not only would the Government issue, without any kind of reserve against them, all the emergency notes that have been printed already, but the Bank of England would likewise have issued £3,000,000 of notes in addition to what it has in issue at present.

In reality, then, the action of the Government is highly praiseworthy, and we trust that it will go on earmarking more of the metal as opportunity offers, so that it will be in a position to withdraw the emergency notes as and when it seems desirable. In any case even if the notes continue in circulation while the war lasts, or to put it stronger still, even if fresh emergency notes have to be issued, it is quite plain that the Government ought to form a reserve against the notes so as to be able to adopt whatever policy seems proper when the right time comes. It certainly is desirable that the Government should form a gold reserve against the immense mass of Savings Bank deposits for which it is liable. It has often been urged upon the Government to do so, and now that it has once begun most earnestly do we hope that it will continue to add to the stock, and thus build up a real and considerable reserve.

Another set of critics, whether ignorant or simply thinking of their own interests without regard to those

of the public, have been finding fault with the Bank because it did not reduce its rate of interest on Thursday. We, on the contrary, applaud the Bank for refusing to do so. It is perfectly true that rates in the open market are lower decidedly than the Bank's minimum. It is equally true that last week we gave our reasons for believing that the Bank will now steadily increase in strength, and that as time goes on it will grow stronger and stronger. In consequence of that we make no doubt that the 5 per cent. rate will be lowered, but not yet. The time has not come, and we trust that the Bank Court will have courage enough not to yield to idle and ignorant clamour and put down the rate too soon. We are engaged in one of the most dangerous struggles we have ever had to face. We have to put forward all our effort to bring it to a satisfactory conclusion, and for that reason it is highly desirable that no encouragement of any kind should be given to rash speculation or wild adventure.

It is to be borne in mind, moreover, that we are now at the end of the second week of September, and that, therefore, the Bank of England has to prepare for the autumn demands. Amongst these will, of course, be those of Egypt. It is too early yet for large withdrawals, but we have heard already of some inquiries being made. Therefore it is clearly the duty of the Bank of England to keep in mind that Egypt may make a large demand upon it. If the cotton crop is a good one, and if it sells at fair prices, a very considerable amount of gold will be required, and it will be taken mainly from London. The Bank of England, then, instead of being censured, is to be highly commended for its forethought and its courage in refusing to listen to those who are blaming it because it has not already lowered its rate of discount. It will be time enough to think of that when we have gained a really great success in France and have reason to believe that not only has the German advance been beaten back, but that a real German retreat is in progress.

Furthermore, it is to be borne in mind, as every reader no doubt is aware, that the United States crops are excellent this year, that therefore the United States is likely to export to us upon a great scale. The United States, although it owes a considerable amount to the United Kingdom at present, will only be able to pay off that, and will be able to take considerable sums in gold if it so chooses. Whether it will choose, of course, nobody can yet say. The United States Treasury has an immense amount of the metal, and if the new banking system is started upon really scientific banking principles there ought to be in the United States not only enough of gold for all legitimate purposes, but so much more as will enable it to set free a good deal of what it now holds. Until the new system is in working order and we can judge from experience, it is impossible to say what course will be adopted, but this, at all events, is clear, that the American crops this year are so large that they will enable United States merchants and bankers not only to pay off all the debts due to this country, but to take a large amount of gold if they deem that desirable.

In addition to all this, we would remind the reader that India must not be left out of account. If she has good crops in the coming year, which, of course, will depend upon the monsoon, she will be able to take sovereigns, if she so pleases. It may be that her thoughts are turned in a different direction just now, and that she will not take much, but it may also be that she will take a good deal. The reader must recollect that India is emerging from the very backward condition in which she formerly was and is now becoming a great and productive country. She desires to associate herself with all the activities of the West, and amongst other things she has made

up her mind that she must have a monetary system in harmony with those which exist in Europe and the countries settled by descendants of Europeans. Therefore India may take a good deal of sovereigns. The Bank of England is to be applauded for bearing all that in mind.

Furthermore, there is South America to bear in mind. It may, or it may not, take much of the metal, but, to say the least, it is incumbent upon the Bank of England to bear in mind that usually there is a South American demand, and that it may arise again. Considering all these things, it will be well to keep calm and collected, and not rush headlong into lowering the rates, and the like, which may have the very opposite result from what is desired. A 5 per cent. rate injures nobody. It is not by any means an oppressive rate, provided the banks all give the accommodation to their customers which the latter have a right to expect, and provided that the acceptors of bills act with judgment and prudence trade will become active with a 5 per cent. rate just as well as with a 4 per cent. rate. Meantime it is desirable that nothing should be done to encourage a flowing away of gold from ourselves to our enemies.

In commenting upon the Discount market a week ago we stated that everything was tending in the direction of cheaper discount. The rate for three months' bankers' acceptances had fallen more than $\frac{1}{2}$ per cent. during the week, and during the past seven days the rate has fallen a further 1 per cent. Short money has daily increased in quantity, while the demand for it has steadily grown smaller owing to the absence of the usual creation of new bills. The rate for three months' bankers' acceptances is now little better than $3\frac{1}{4}$ per cent. for short bills, and it is difficult to get 4 per cent. on long paper.

The fact that discount rates should have fallen so rapidly was indicated in some quarters as a reason why the Bank rate might possibly be reduced on Thursday from the relatively high figure of 5 per cent. Such a reduction was not, however, generally expected, for conditions are not normal. The general outlook is for a gradual diminution in the abnormal supplies of short money and a gradual increase in the demand for discounts through the creation of new bills. During the past week short money has been so plentiful that loans over the night have ranged from 2 per cent. to 3 per cent., with plenty of odd balances available at the lower figure. With regard to fixtures the rate has not been more than 3 per cent., but as yet the business in weekly loans has scarcely been resumed.

BRITISH TREASURY BILLS.

TENDERS will be received at the Bank of England on Wednesday, September 16, for Treasury Bills to the amount of £15,000,000, of which £7,500,000 will be in Bills payable at six months after date and £7,500,000 in Bills payable at twelve months after date. They will be dated September 19, 1914, and will be payable on March 19 and September 19, 1915, respectively.

METROPOLITAN WATER BOARD BILLS.

TENDERS will be received at the Bank of England on Monday next, September 14, for Metropolitan Water Board Bills to the amount of £1,000,000 in replacement of an equal amount of bills now outstanding. The old bills really fell due August 7, and tenders for their replacement were to have been received on Friday, July 31. In consequence, however, of the unprecedented state of affairs existing on that day, the bills were not offered, and temporary arrangements for their continuance were made. The new bills, which will replace those now maturing, will be dated September 18, and will have a currency of six months, being due March 18, 1915.

BANK OF ENGLAND.

THE movements shown in the weekly return of the Bank of England have been in every respect all one way since the commencement of the war. Thursday's return for the first time showed some reaction. The most striking feature was the earmarking of £3,000,000 of gold on behalf of the National Currency Account, and in consequence of that the bullion item is slightly lower. Notwithstanding this big withdrawal of gold, no less than a million and a half in coin returned from the country, making a return of about 7 millions in four weeks, so that the net loss in the bullion item is only £264,000, and the total is still up to fully £47½ millions, which compares with less than £42½ millions a year ago. As there was a further slight contraction in the note circulation, the reserve was reduced by less than £200,000. Besides losing this money, the market lost fully 7 millions through a reduction in the Bank's portfolio. Loans on Government securities were redeemed to the extent of 2½ millions, while other securities were reduced by £4,898,000. The latter diminution may possibly be in connection with the earmarking of gold on behalf of the National Currency issue. Altogether the market lost nearly 7½ millions, but as there was a reduction of fully 4½ millions in the public deposits, the net loss to the market, as shown in the other deposits, is only a little over £3,000,000. The actual reserve of the Bank is only slightly lower, while the ratio has advanced from a little over 19 per cent. to considerably over 19½ per cent.

MONEY IN NEW YORK.

THE financial position in New York has improved moderately, but there is still much to be done before the exchange market can be restored. That the New York exchange market should be placed on a working basis is regarded as more pressing every day. The knowledge that the British Treasury had taken the matter in hand had some good effect, especially as the bankers in New York were understood to be in favour of some arrangement by which the demands of international trade could be satisfied. There was a considerable decline in the abnormally high exchange upon London, but the improvement has not been altogether maintained. As regards the value of money in New York, the combined returns of the New York banks and trust companies on Saturday last showed a little deterioration. Before the outbreak of war the combined institutions showed a surplus cash reserve of nearly £1½ millions. By the middle of August this surplus had been replaced by a deficiency of over £9½ millions; by the end of August it had fallen to £6½ millions, and last week it showed a slight increase to nearly £7½ millions sterling. Since the beginning of the war the total reserves have fallen from £88,887,000 to £78,202,000, whereas the deposits have only declined from a little over £387,000,000 to below £380,500,000.

POSITION IN INDIA.

LARGE demands for India Council remittances could hardly be expected at this time of the year, apart altogether from the disorganisation caused by the war, for it is the quiet export season in India. The demand for the 10 lacs of drafts offered on Wednesday



was, however, rather better, and against less than $1\frac{1}{2}$ lac last week fully three crores were disposed of on Wednesday last. The minimum rates were the same—namely, 1s. $3\frac{1}{2}$ d. for bills and 1s. $3\frac{3}{4}$ d. for transfers. The gradual reduction in the applications in India for sterling bills upon London continues, and Thursday's sales were again lower. For the million sterling offered last week the applications reached £470,000. This week for the million offered the total applications, which were all accepted, amounted to £360,000 only, of which £310,000 was in bills and £50,000 in telegraphic transfers.

The following are the minimum Rates of Discount current in India:—

Bombay ... 6 per cent. (Aug. 20, '14) } Bengal ... 5 per cent. (Aug. 7, '14).

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 9, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
s. d.	Rs.	Rs.		s. d.	Rs.	Rs.	
1 $3\frac{1}{2}$	1,30,000	1,30,000	100	1 $3\frac{1}{2}$	1,70,000	1,70,000	100
Total	1,30,000	1,30,000	100	Total	1,70,000	1,70,000	100
Grand Total ... Rs. 10,00,000				Grand Total ... Rs. 3,00,000			

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	BILLS.			Telegraphic Transfers.		
	Rs.	Average.	Minimum.	Rs.	Average.	Minimum.
Calcutta	30,000	1/3-937	1/3 $\frac{1}{2}$	1,70,000	1/3-968	1/3 $\frac{1}{2}$
Madras	1,00,000	1/3-937	1/3 $\frac{1}{2}$	—	—	—

The following Special Sales have since been made:—

	Rs.	At
Bills on Calcutta	33,500	1/3 $\frac{1}{2}$

From April 1 to Sept. 8 inclusive the Council have granted remittance for Rs. 5 38,46,332, realising £3,593,880. Up to Sept. 9 of last financial year the total Bills and Transfers sold was Rs. 12,15,89,721, realising £8,121,096. The total sales for the week ended Sept. 8 amounted to Rs. 1,58,000, realising £10,511. The amount to be offered for tender next Wednesday will again be 10 lacs.

SILVER.

THE cash price of bar silver has risen during the week from 24d. to 25 $\frac{1}{2}$ d. per ounce. The improvement appears to have been due to limited supplies and moderate "bear" covering rather than to any special demand, and brokers say that the amount of business in forward silver has been practically nil.

	Sept. 4	5	7	8	9	10	11
London	24d.	24 $\frac{1}{2}$	24 $\frac{1}{2}$	24 $\frac{1}{2}$	24 $\frac{1}{2}$	25	25 $\frac{1}{2}$
Exchange	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$

Stock Exchange.

TICKET DAY.	PAY DAY.	CONSOLS.
Settlement Days { Wed., Aug. 26 | *Thurs., Aug. 13 | —	—	—
Days. { — | Thurs., Aug. 27 | —	—	—

* Deferred to October 14 for both General and end-August Consols Settlements.

July 30. Bank of England rate to 4 per cent.
 „ 31. Bank of England rate to 8 per cent.
 Paris Bourse settlement deferred to August 31.
 London and New York Stock Exchanges did not open.
 General securities and Consols settlements deferred to August 27 and beginning of September.

Aug. 1. Bank of England rate to 10 per cent.
 „ 3. Bank Holiday extended to August 6 inclusive.
 „ 4. War declaration Germany and England.

German Reichstag authorises extraordinary expenditure of £265,000,000, suspends the 5 per cent. tax on excess circulation, authorises Imperial Bank to discount bills with only one signature, makes all Imperial paper legal tender, authorises Government to close bargains at prices the Government will fix, and grants advances up to £75,000,000 on German stocks and shares and goods of non-perishable nature, and one-half or one-third of assessable value on trade stock and industrial products placed under seal. (See *Times* of August 10, p. 5.)

- Aug. 6. British moratorium of month to September 4.
 „ 7. Banks reopen and issue of £1 Government (Treasury) notes (Currency and Bank Notes Act, 1914). Banks empowered to borrow Currency Notes from Government up to 20 per cent. of their liabilities on deposit and current account.
 „ Bank of England rate to 6 per cent.
 „ 8. Bank of England rate to 5 per cent.
 „ 12. General securities and Consols settlements on London Stock Exchange further deferred to September 14 and September 7 respectively. German branch banks in London permitted to resume business.
 „ 13. Government guarantees bills of exchange discounted at the Bank of England.
 Measure for holding gold in Colonies for account of the Bank of England.
 „ 17. Provision for paying Rand mining companies' dividends.
 „ 19. Issue of £15,000,000 six months' Treasury bills.
 „ 20. Action of Continental banks in reducing their official rates. France 6 to 5, Holland 6 to 5, Norway 6 $\frac{1}{2}$ to 5 $\frac{1}{2}$.
 „ 21. News of entry into Mexico of General Carranza.
 „ 26. Issue of £15,000,000 six months' Treasury bills. Parliament approves measures for increase of Government (Treasury) certificates and notes.
 „ 27. Ditto as to a War Loan Bill, also leniency to debtors.
 Sept. 1. Royal Proclamation of the British Moratorium being extended to October 4.
 „ 4. New delay announced of Stock Exchange Settlements; Consols and General October 14.
 „ 5. Further Government action to assist acceptors of bills.
 „ 11. Issue of £15,000,000 Treasury Bills, as to half six months and the other half twelve months. (Also see War Chronology, page 580.)

Friday evening.

FOR months past all Stock Exchange departments have presented the feature, and some pronouncedly so, of what has been regarded as undervaluation of intrinsic merits. A variety of reasons have been ascribed for the absence of appreciation in prices that had been looked for but did not occur. Such absence was sought to be explained by the chronic political apprehensions in respect of the Balkan situation, and also political incidents, affecting Mexico, Canada, and Brazil. More recently one or two closings up of individual speculation on a large scale shook sections of the market, but an underlying main cause has not till now come distinctly into view. There was marvellous dexterity shown in preserving peace amongst the great European Powers during the Balkan troubles. It was felt, as well as hoped, that, so many difficult and thorny subjects having been settled by means of diplomacy, any doubt of ability to continue peace as between the Great Powers and in Europe could not reasonably be entertained, and although there was an underlying fear that the great European armaments and vast expenditures would eventually lead one day to a huge war, the public disposition was to adopt the Spanish disposition of *mañana*.

It is needless to go into quite recent history of the Austrian Ultimatum and its outcome. The crisis at the present time is one of the gravest, and the war on a larger scale than ever before in the history of the Old World, proudly claimed to be the civilised part of the world.

We contend that is the height of unwisdom for anyone who is able to hold securities of merit to attempt to dispose of them in a time of stress at a depreciated level vastly below intrinsic merits. People of prudent temperament have been talking of the possibility of a very long period of war. It is wise not to be sanguine, but even with a long war all the present evidence points to the feature that the war will be located to Europe—scrapping outside, of course—but nothing serious except as regards Europe. The gold mining industry, we take it, then, will not be interfered with, at all events to any appreciable extent, and continuous gold production is part of the "silver

bullet." There may be a little discomfort here and there, higher prices to be paid for appliances and stores. But the gold remains in the ground till it is extracted, and the plant will not be in peril. The men who do the work of getting the gold will not be interfered with, and whether the war be sharp and short or a protracted one, so long as Great Britain can keep ocean communications open gold production will be at the disposal of this country.

Should the war be sharp and speedily finished the chronic apprehension of a coming war is ended, and no recurrence of that trouble is likely to occur for very many years. The world will breathe again. In case of a speedy end to the present war incubus we shall witness a bound in prices of securities of Stock Exchange character to, in our opinion, higher levels than those which were current prior to the August 1914 outburst of German violence.

For many years past firms of auctioneers have been entrusted with the disposal of local issues of shares or Debentures. Sometimes a local racecourse, gas or waterworks company requiring additional capital has given instructions for a small quantity of new shares or Debentures to be disposed of by auction. Sometimes a fairly large parcel of shares held in the hands of an individual desiring to realise has been entrusted to an auctioneer for sale by lots at an inn or room in the town where is located the company whose shares are to be offered. A quite new application of auction sales is now being proposed. A firm of auctioneers has this week widely issued a typewritten circular, addressed, amongst others, to members of the Stock Exchange, announcing the intention to effect periodical sales of gilt-edged Stock Exchange securities by auction at their rooms in the West-End. The addressing of this circular to members of the Stock Exchange may be to obtain an attendance of those who are likely to be buyers, for the firm in question professes to have been instructed by various clients to offer such securities by auction during the time when the Stock Exchange is closed. This action on the part of the auctioneering firm is very much to be deprecated. There are a variety of reasons, but a particular reason is that such a method of offering shares could be used by enemies of this country with a view to giving publicity to quite erroneous ideas of what prices are obtainable for gilt-edged securities. An attendance of four or five of the public at an auction sale, the bulk of the men being mere onlookers and the others representative of enemies, might easily fake a false value.

GRAND TRUNK RAILWAY.

At the close of last week the directors announced that the accounts of the Company will in future be made up to December 31 of each year instead of half-yearly as hitherto. The Dominion Act, which permits of this altered procedure, empowers the directors to declare an interim dividend for the first half of the year following the practice of other Canadian and American companies, and, indeed, of our home railways, and the full half-year's dividend has accordingly been declared by the Grand Trunk Company upon its Four per Cent. Guaranteed stock. No distribution is, however, forthcoming upon any of the Preference stocks, and no data, such as the balance carried forward, are available which enable one to arrive at the net profit obtained for the half-year. For the June half of 1913 the net profit of the Grand Trunk Railway, excluding the Grand Trunk Western, amounted to £399,000, out of which full half-yearly dividends were paid down to and including the Second Preference stock. For the first half of 1914 gross earnings declined as much as £417,000, but this falling off of revenue was accompanied by a reduction of as much as £394,000 in expenses, thus leaving net earnings only £23,000

lower on balance. That so considerable a saving in expenditure was obtained was, no doubt, largely due to the benefit derived from the recent capital outlays upon new equipment, thus greatly reducing the appropriations for hire of equipment which previously have appeared in expenses. Although in recent reports of the Company working expenses have not included the debit or credit, as the case may be, in respect of outside operations, such as hire of equipment, data in respect of these have been included in the expenses as published in the monthly revenue statements since the beginning of 1913.

Beyond the shrinkage of £23,000 in net earnings, interest and other charges have called for an additional sum of approximately £64,000. It would appear, therefore, that the net profits of the first half of 1914 may be estimated to have amounted to £312,000, a sum permitting of the payment of the full dividend on the Guaranteed stock, and of a distribution at the rate of about 3.6 per cent. on the Five per Cent. First Preference stock. Undoubtedly the action of the directors in refraining from dividing the whole of the past half-year's profits that have apparently been secured has been actuated by the many uncertainties of the current half-year, and, indeed, of the future. Crop conditions in Canada, however, seem to indicate that earnings for the present half-year will be satisfactory. It is, of course, impossible with assurance to predict the course of earnings in the half-year, but it may be advisable to give some idea of profits for the whole of 1914 on the assumption that no expansion or contraction in net earnings on balance will be witnessed in the last six months of the year. Interest charges in the current half-year may, however, call for an increased sum of about £80,000 in consequence of additional Equipment Trust Notes and Debenture stock now in issue, and also owing to a full half-year's interest, amounting to £50,000, having to be paid on £2,000,000 of Five-Year Five per Cent. Notes, whereas for the December half of 1913 only £8,000 odd was so appropriated. For the year 1913 the net profit reached £977,000, and after allowing for the falling off of £23,000 in net earnings in the first half of this year, and also for the additional interest charges that will have to be borne, the profit for 1914 allowing for no change on balance in net earnings for the second half may be estimated at about £810,000, a sum sufficient to pay the full dividends on the Four per Cent. Guaranteed and on the Five per Cent. First and Second Preference stocks, with a small surplus over. The calculation is as follows:—

Estimated Profit, Grand Trunk Railway, 1914.

	1st Half	2nd Half	Year
	£	£	£
1913: Net profit	399,000	578,000	977,000
1914: Decrease in net earnings	— 23,000	—	— 23,000
Increase in interest charges	+ 64,000	+80,000	+144,000
Estimated profit	312,000	498,000	810,000
Dividend on 4 % Guaranteed	250,000	250,000	500,000
Balance...	62,000	248,000	310,000
5 % on 1st Preference	171,000
Balance...	139,000
5 % on 2nd Preference	126,000
Balance...	13,000

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The above calculation is on the assumption that no improvement occurs in net earnings in the second half of the year. In the event, however, of increased net earnings being secured the surplus in excess of the dividend on the Second Preference stock would possibly show expansion.

OUR FOREIGN TRADE.

THE Board of Trade returns for the month of August 1914 brings home the disastrous effects of the war. Minor considerations, such as the number of Sundays in the month and the incidence of Bank Holidays, which are normally important factors, go by the board in comparing the position with the corresponding period of 1913.

The total imports for August aggregated £42,362,000, comparing with £55,975,700 for August 1913, showing a decrease of £13,613,700, or 24.3 per cent. Even heavier, as was to be expected, was the falling off in exports. These for the past month amounted to £24,211,000, as compared with £44,110,000 in the corresponding period last year, a decrease of £19,899,000, or the enormous percentage drop of about 45 per cent. The value of the re-exports of August totalled £4,419,000, in comparison with £8,150,000 in the corresponding month in 1913, a falling off of £3,731,500, or 45.7 per cent.

The heavy falling off during the past month has eliminated the increase and converted into a decrease the aggregate for the eight months to August inclusive of the current year, the figures being:—

Imports £	Exports £	Re-exports £
-18,868,800	-24,256,500	-3,995,200

In the case of the August imports, the items classified under the head of food, drink, and tobacco show a falling off for the month of £2,032,000, notwithstanding an increase of some £778,000 in grain and flour. Raw and mainly unmanufactured materials exhibit a decline of £2,827,000, the main item of which is attributable to a falling off of wood and timber to the extent of £2,203,000, against which has to be set off an increase of £471,000 in the cotton imports, principally from India. Articles summarised under the heading "wholly or mainly manufactured" are responsible for the sum of £8,709,800. The items under this description show a decrease varying in intensity, the manufacturing countries being largely cut off from ability to send to this country the metals, textiles, chemicals, &c., that figure normally in our imports of manufactures.

Turning to the exports, food, drink, and tobacco, figuring for August at £1,531,000, show a falling off of £1,302,600. In raw materials and mainly manufactured articles the exports of August were £2,873,000, which is a decrease compared with last year of £2,493,700. Of such decrease, £2,110,000 is represented in the one item "coal and coke," and the decrease is approximately 50 per cent.

It is, however, in the huge decrease of £15,751,000 in our exports of manufactured goods that the war's effect is so terribly patent for the month. Every class of industry has suffered in proportion to its magnitude. We tabulate below those items which show decreases of upwards of half a million:—

	August Amount £	Decrease £	%
Iron and steel manufactures ...	2,295,000	1,822,600	44.2
Machinery	1,708,000	1,177,700	40.8
Ships (new)	250,000	2,573,500	91.1
Cotton yarns and piece-goods ...	5,840,000	4,630,000	44.2
Wool yarns and piece-goods ...	2,136,000	1,434,800	40.1
Chemicals, drugs, dyes, &c. ...	936,000	612,300	39.5
	13,165,000	12,250,900	48.2

Although the percentage decline in re-exports is very heavy, the totals compared with the imports and exports are relatively small. In part, a considerable

portion of the decrease may be attributed to the fact that the exigencies of the situation may demand that we should retain some of the goods intended for transit for our own requirements.

The net import of gold coin and bullion for the month has amounted to £7,951,700, and of silver coin and bullion £166,700. The balance of trade, therefore, as shown by the figures given above, is summarised as follows:—

Imports (goods)	£42,362,000
Gold and silver coin (net import)	8,118,400
Total imports	50,480,400
Re-exports	4,420,000
	46,060,400
Exports	24,211,000
Balance	21,849,400

It is to be borne in mind that in August there were the two great hindrances to movement of uncertainty as to safety of transit and the extremely high rates for a time in respect of insurance. The uncertainty being largely removed, and Government ameliorating the insurance position *pro tanto* relieved the situation at close of the month, and probably in September it will be found that a larger bulk of business will be done than in August.

ARGENTINE RAILWAYS.

ANOTHER batch of very poor Argentine railway traffic returns are to hand this week. The Central Argentine again leads with a decrease of no less than £39,500, making an aggregate decline for the 10 weeks to the beginning of September of as much as £364,200, or nearly 30 per cent. Next in importance is the Buenos Ayres Great Southern, whose receipts for the week are down £36,000, and for the 10 weeks £209,000; and the Buenos Ayres and Pacific exhibits a falling off of £30,000 for the week and a decline to date of £225,000. The Buenos Ayres Western is not doing as badly as its neighbours, the loss for the week being only £8,000 and for the 10 weeks £90,000. The main reason for these bad traffic returns is the absence of shipping facilities. A few weeks ago ships in Argentine ports were unable to get cargoes, and had to leave in ballast owing to the delay in harvesting maize. The crop is a big one, although smaller than at one time appeared probable, and a huge tonnage is now awaiting shipment. Naturally also the warehouse accommodation at the various ports is strained to its utmost capacity, and this is causing delay in transportation from the interior. As soon, therefore, as freight and banking arrangements can be made a marked change in the railway position should be witnessed.

The prohibition of wheat exports from the Plate appears to have created a wrong impression in many quarters as to the real state of affairs. As a matter of fact there is at present no wheat left to be exported. Last year's crop, it will be recollected, was a very poor one, and all along exports have been on a reduced scale. Indeed, months ago the situation pointed to the probability that Argentina would have to import wheat from the States before the next crop was gathered. It is, of course, too soon yet to speak with any degree of certainty as to the coming wheat harvest, but the outlook at the moment leaves nothing to be desired, and if all goes well a magnificent harvest will be gathered in. With the existing state of European affairs the demand for Plate wheat should be very great, and every ton that can be spared will doubtless be exported at good prices. If, therefore, Argentina gets a big crop in the coming season the wealth and prosperity of the country will receive an enormous fillip and the railway companies should do remarkably well.

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Mining Topics.

It looked, up to about the middle of July, as if a variety of complications and troubles that had affected markets were mending, and the members of the mining section of the Stock Exchange began to shake their feathers and look about for securities of promise. In taking stock of the position of the mining department it has to be recollected that for a period that has run into years this section of the stock markets had experienced a good many discomforts, and in especial that section which deals with Rand Companies operating in the largest gold-producing region of the world. The Rand had been affected by its labour difficulties, both in connection with the shortage of necessary native labour and the violence resorted to in order to enforce unreasonable demands on the part of the white labourers. The white agitations in the middle of 1913 and the beginning of 1914 were thought to be about the last straw in driving prices below a level previously considered unduly low, especially as in some directions it was felt that progress was being steadily made, and there were hopeful feelings about early ability to bring a

large, virtually untouched, section of the Rand into the stage of production. Just when things in respect of the Eastern Rand were beginning to look distinctly hopeful there came the crushing blow of the outbreak of war, with the effect of obliterating the influence of intrinsic merits, and perhaps in no case has there been so sharp a set-back as in the case of the Modderfontein Deep, which is another instance, in addition to those we have lately dealt with, of an unduly depressed price—that is, unduly depressed when regarded from the view of intrinsic merits.

Shareholders in the Ashanti Goldfields and Premier Diamond companies have been gratified this week by the receipt of dividends which had been deferred. The Witbank Colliery has declared a dividend of 12½ per cent., and it is welcome news, with the experience of the recent past, that the Ferreira Deep has announced a dividend of 25 per cent., the same as a year ago, falling due for payment in November.

MODDER DEEP.

In the middle of July advice was received that energetic development work in the Modder Deep's virgin area had in a very short while brought into sight a round quantity of about two million tons of payable ore reckoned to have, after allowance for sorting, an extraction value of about 35s. per ton. Taking into account the experience of adjoining mines that had come into the stage of very profitable production, we made an estimate in THE STATIST of July 18 that the Modder Deep's two million tons had a profit value of about 18s. per ton. That is to say, dealing with only that quantity, there was in sight a profit of £1,800,000, and it is to be borne in mind that simultaneously with the effecting of developments there is going on the erection of a mill, which is to be of the most modern type, with a capacity to deal with 360,000 tons a year. This mill, it has been announced, will be ready for a start before the end of this year. In 1913 the necessary further working capital required for development and equipment was arranged for, in part by an actual issue to bring in enough money to go along with for a while, and further, as to the future, the securing of additional supply of working capital by the exercise of an option. Such option, it is asserted, will be duly exercised; no financial discomforts will have to be faced, and it is only a matter of steady work in effecting developments and finishing the plant. But the two million tons above referred to, having a value of £1,800,000, if divided by the total capital, when all issued, of 500,000 shares of £1 each, works out at 3½ per £1 share. This important factor alone justifies a price appreciably higher than the closing quotation of 2½ per Modder Deep share sent out on July 30. On a very conservative basis we estimate that the area of the Modder Deep lying in the rich region immediately south of the Modderfontein Company, and proved as to continuity of reef all round the property, contains enough ore to keep the mill going—on a consumption of 360,000 tons a year—for 24 years. Eighteen shillings per ton would provide a profit equal to 55 per cent. of dividend for the life of 24 years, which means that the present value of the share to give a yield of 10 per cent. per annum, and any excess of dividend beyond what is required for income invested at 3 per cent. for redemption of capital, works out at 4½ per share. Should the profit increase to 20s. per ton, as witnessed in the case recently of the Modderfontein Company, it would mean an increase in the dividend to 65 per cent., and a 10 per cent. yield on the same basis, with 65 per cent. average dividend for a life of 24 years, makes the present value of the share work out at £5. We believe our readers will concur with us in recognising that any price under £3 for Modder Deep shares is an unreasonably low one—war or no war. An end of the war should justify a price nearer 4 than 3, perhaps even a higher price than 4.

RAND GOLD OUTPUT.

THE Rand's production of gold according to the Transvaal Chamber of Mines is contrasted below.

	Tons Milled and Yield per Ton		Value £
	Tons	Yield	
1912	25,486,361	29/0	37,182,746
1913	25,628,432	27/9	35,812,605
1913.			
First half	13,563,518	27/11	18,932,828
July	1,873,980	28/4	2,655,286
1914.			
First half	12,308,282	26/11	16,609,705
July	—	—	2,886,731
August	—	—	2,908,025

The returns of natives recently employed in gold mining are as follows:—

1914					
Aug.	July	June	May	Apr.	March
163,831	167,006	166,248	165,433	165,005	162,815

RAND PROFITS.

A CONTRAST is given below of the profits of Rand Mining Companies for the months of August and July:—

	August £	July £
Aurora West... ..	4,539	4,518
Bantjes	3,241	5,300
Brakpan	27,785	28,014
City and Suburban	20,257	20,528
City Deep	30,178	33,697
Consolidated Langlaagte	28,526	28,466
Consolidated Main Reef	12,480	12,800
Crown Mines	91,398	109,665
Durban Roodepoort Deep	5,625	6,464
East Rand Proprietary	80,448	82,231
Ferreira Deep	50,115	54,895
Geduld	10,479	6,276
Geldenhuis Deep	11,350	15,791
Ginsberg	3,510	3,545
Glencairn	3,019	3,024
Glynn's Lydenburg... ..	3,966	4,562
Goch	11,776	11,138
Kleinfontein	23,016	23,016
Knight Central	5,000	3,500
Knights Deep	9,433	12,934
Luipaard's Vlei	3,077	3,244
Main Reef West	5,549	5,500
Meyer and Charlton	20,240	22,226
Modderfontein B	35,988	36,094
New Modderfontein	57,804	51,851
New Primrose	11,978	13,170
New Rietfontein	466	804
New Unified... ..	5,203	5,279
Nourse	15,347	17,703
Princess	2,323	2,274
Randfontein Central	74,150	72,000
Robinson	49,079	45,011
*Robinson Deep	20,011	29,497
Roodepoort United... ..	3,046	1,470
Rose Deep	19,006	23,825
Sheba... ..	3,245	3,272
Simmer and Jack	23,851	27,119
Simmer Deep	5,828	5,797
Snb Nigel	2,214	2,489
Transvaal Gold Mining Estates	21,254	19,568
Van Ryn Deep	38,123	38,057
Van Ryn G. M.	22,840	21,907
Village Deep	24,946	31,340
Village Main Reef	34,100	33,138
West Rand Consolidated	7,383	6,935
Witwatersrand Gold	25,668	25,648
Wolbuter	10,580	13,084

* Work in No. 2 shaft suspended for the purpose of investigating condition and making safe owing to movement of ground.

The Rand Mines, Limited, in explanation of the small profits shown by companies under their control, state that "most of the companies exercised economy in zinc, and, as a result, the recovery of a portion of the gold had been temporarily postponed."

Copper Shares.—We referred in THE STATIST of August 29 to the outlook of continuance of work at Russian copper mines. Advices as to other companies include the news of the "passing" of the dividend declarations by the Anaconda, Ray and Nevada Consolidated Mines, the maintenance of 75 cents

dividend by the Utah, and the reduction by the Chino Copper Company of its quarterly distribution to 50 cents against the previous dividends of 75 cents. For the time being the American Copper Producers' Association is not publishing the monthly statistics. It is known, however, that the American copper mines are restricting production to about one-half of capacity, and other big producers are acting similarly. The Russian companies appear to be comparatively unaffected by the curtailment of demand for the metal.

MOUNT MORGAN.

THE annual report for the year ended March 31, 1914, discloses a much reduced profit for the period compared with the preceding twelve months. To some extent the set-back is attributable to dislocation of operations consequent on construction of the extensive new treatment equipment, and in addition the yield of the ore treated declined, both in respect of copper and gold contents. But the greatest adverse factor was the much lower price realised for the copper output—viz., £69 2s. per ton in 1913-14 against £75 18s. 4d. per ton in 1912-13. The total expenditure showed a marked reduction, but this being entirely insufficient to offset the reduced revenue, the profit for the past financial year shows a decline to £276,352, against £401,131 in the preceding year. Notwithstanding the much smaller profit of the past year, however, a larger total dividend distribution was made than in the previous twelve months owing to the much lighter allocations for other purposes. A comparison of the operating results of the past four years is shown below:—

	Years ended March 31—			
	1914 Tons	1913 Tons	1912 Tons	1911 Tons
Ore treated	303,421	312,058	351,858	334,869
Fine copper output	8,463	9,280	7,440	6,973
Yield per ton (%)	2.78	2.97	2.11	2.08
Gold output (oz.)	102,843	126,082	134,575	142,449
Yield per ton (dwt.)	6.7	8.0	7.64	8.5
Price copper realised per ton	£69 2/0	£75 18/4	£63 13/2	£58 4/7
Revenue	£96,542	£1,140,029	£1,039,713	£953,293
Expenditure	680,190	738,898	731,715	759,317
Do. per ton treated	(44/10)	(47/4)	(41/7)	(45/4)
Profit	276,352	401,131	307,998	193,976
Brought forward	121,298	14,874	6,290	61,728
Total	397,650	416,005	314,288	255,704
Allocations—				
Depreciation	77,297	24,707	49,414	49,414
Dividends	200,000	150,000	200,000	200,000
	(20%)	(15%)	(20%)	(20%)
Reserve	—	—	50,000	—
Reboulding fund	—	100,000	—	—
Stores and stocks	—	20,000	—	—
Carry-forward	120,353	121,298	14,874	6,290
	397,650	416,005	314,288	255,704

The financial position of the Company is strong, the balance sheet at March 31, 1914, showing a surplus of liquid assets over liabilities of £314,024, most of which, however, is employed in financing the Company's business. The mine has a very long and profitable record behind it. In the past 28 years it has produced gold and copper of a value exceeding £20,000,000, and dividends paid have aggregated over £8,000,000. The issued capital is £1,000,000, in £1 shares, and the dividend for the past year, as shown above, was 20 per cent.

The extensive new treatment plant to date of the report has cost £266,624, of which £80,000 was written off out of the profits of the year under review. It has been completed and is now in operation. The change over from the old to the new plant temporarily affects working results, but when the whole equipment is running smoothly improved showings should be witnessed. Further, a new concentrating works, using Minerals Separation process, was expected to be completed in August, and benefit from this should also be felt in the future after a hiatus in demand for copper disappears.

As regards the underground position, the mine has a very large quantity of both high- and low-grade ore reserves in sight, as will be seen from the following:—

	High Grade			Medium Grade			Total
	Tons	Approx. Value	Dwt.	Tons	Approx. Value	Dwt.	
May 31, 1909 ...	1,368,000	3½	8	1,824,600	3	2½	3,192,600
May 31, 1911 ...	1,543,000	3½	8	2,070,500	3	2½	3,613,500
May 31, 1912 ...	1,499,000	3½	10	1,499,000	2½	5	3,526,000
May 31, 1913 ...	1,433,000	3½	10	1,997,000	2½	5	3,430,000
May 31, 1914 ...	1,211,000	—	—	1,914,000	—	—	3,125,000

The total tonnage of the ore reserves is equal, at present rate of ore consumption, to 10 years' supply for the mill. The immediate future of the undertaking may be affected as a result of the world-wide influence of the war, and in addition the price realised for copper will have a considerable bearing on profit and dividend results; but in course of time the benefits to be expected from the new and enlarged treatment plant in the matter of costs reduction and larger output should increase the prosperity of the Company; and, as we have said, the mining position is strong and the financial condition quite healthy. The last price of the shares was 2½, and on the basis of last year's dividend of 20 per cent. the yield afforded would be about 8½ per cent.

The course of prices of the £1 shares with annual dividends of years ended May 31 has been as under:—

	Highest	Lowest	Div.		Highest	Lowest	Div.
	£	£	%		£	£	%
1903 ...	4½	2½	15	1909...	3½	3½	20
1904 ...	3	1½	15	1910...	3½	3½	20
1905 ...	3½	2½	15	1911...	3½	2½	20
1906 ...	4½	3½	15	1912...	3½	2½	15
1907 ...	4½	3½	22½	1913...	3½	3	20
1908 ...	3½	3½	22½	1914 (to July 30)...	3½	2½	—

MOUNT MORGAN.—Capital, £1,000,000, in £1 shares.

Year ends	Tons Treated	Copper Tons	Gold Oz.	Price end of Period
May 31				
1913-14 ...	294,747	8,221	100,282	2½
1914-15.				
4 weeks to June 28 ...	23,630	645	7,511	2½
" " July 26 ...	23,480	617	7,476	2½
" " Aug. 23 ...	21,467	732	9,435	—

Dividends declared—1910-11, total, 4s. 1911-12, total, 4s. Account of 1912-13, total, 4s. Account 1913-14, total, 4s.

INDIAN MINES.

BALAGHAT—Capital, £212,600 in Ordinary and £95,400 in Ten per Cent. Preference shares of £1 each. The Preference shares after first receiving 10 per cent. entitled to participate *pro rata* with Ordinary for further dividend, but are non-cumulative.

Year ends	From Mill			From Tailings			Total Bullion Secured*		Price end of Period
	Tons	Oz.	per Ton	Tons	Oz.	per Ton	Oz.	Oz.	
Dec. 31									
1913 ...	42,700	13,498	6.3	96,252	3,607	0.7	17,495	17,409	6/6
1914.									
Mar. qr. 10,600	3,369	6.3	21,663	783	0.6		4,152	4,216	3½
June qr. 9,850	3,254	6.6	24,063	823	0.5		4,203	4,270	3/3
July ...	—	—	—	—	—	—	1,420	1,428	2/9
Aug. ...	—	—	—	—	—	—	1,423	1,439	—

* Including amount secured from plates.

Dividends per cent.—Account 1907, March, 10 on Pref Nil since.

OREGUM.—Capital issued, 481,544 Ordinary and 240,000 Ten per Cent. Preference shares; all shares of 10s. each. Preference shares first get 10 per cent., and, beyond, same dividend as paid on Ordinary.

Year ends	From Mill			From Tailings			Total Gold Secured		Price end of Period
	Tons of 2,000 lb.	Oz.	per Ton	Tons	Oz.	per Ton	Oz.	Oz.	
Dec. 31									
1912 ...	145,558	69,054	9.5	139,473	16,816	2.4	91,453	94,034	17/6
1913 ...	112,639	72,226	9.4	139,676	17,631	2.5	95,235	91,453	21/0
1914.									
Mar. qr. 38,417	17,473	9.1	79,979	5,088	2.6		22,962	22,752	23/0
June qr. 32,739	16,972	9.0	35,160	4,443	2.5		22,821	23,863	23/0
July ...	12,925	—	—	—	—	—	7,720	8,014	21 6x1
Aug. ...	12,936	—	—	—	—	—	7,950	8,016	—

* Price of Ordinary shares.

† The results for 1912 and 1913 include yield from slimes, &c.

‡ April results affected by shortage of electrical power due to lack of rain.

Dividends per cent.—Total distribution, account 1911 and also 1912, 40 per cent. on Pref. and 30 per cent. on Ord. Account 1913; account 1914, March, 17½ on Pref. and Ord., June, 17½ per cent. Pref. and 7½ per cent. on Ord.

CHAMPION REEF.—Capital £260,000, in shares of 2s. 6d.

Year ends	From Mill			From Tailings			Total Gold		Price end of Period
	Tons of 2,000 lb.	Oz.	per Ton	Tons	Oz.	per Ton	Oz.	Oz.	
Dec. 31									
1912-13	200,611	103,797	9.4	338,587	29,122	1.7	—	—	10/9
1913-14.									
Dec. qr.	51,131	25,854	9.5	90,018	8,354	1.8	1913-14	1912-13	
Mar. qr.	53,812	25,922	9.6	81,454	8,090	1.9	34,208	33,752	10/3rd
June qr.	51,581	21,836	9.9	78,752	7,483	1.9	34,319	33,143	10/8
July ...	18,250	9,166	10.0	30,228	2,431	1.6	11,600	11,683	10/6
Aug. ...	47,190*	—	—	—	—	—	11,547	11,355	—

* Total mill and tailings.

Dividends per cent.—Total distribution, account 1911-12, 50 per cent. Account 1912-13, April, 13½; July, 16½; Dec., 20 per cent. 1913-14, March, 13½; July, 16½ per cent.

MYSOORE.—Capital £305,000, in 610,000 10s. shares.

Year to Dec. 31	From Mill			From Tailings and Slimes			Total Gold Secured*		Price end of Period
	Tons of 2,000 lb.	Oz.	per Ton	Tons	Oz.	per Ton	Oz.	Oz.	
Dec. 31									
1913 ...	302,682	201,928	13.8	261,823	30,210	2.7	232,168	231,762	4½
1914.									
Mar. qr.	75,450	49,842	13.2	70,131	7,409	2.1	57,251	57,666	4½
June qr.	74,718	49,318	13.2	70,428	7,893	2.2	57,186	57,835	4½
July ...	25,326	16,627	13.1	23,334	2,723	2.3	19,362	19,514	4
Aug. ...	25,867	18,633	12.9	21,047	2,770	2.3	19,423	19,543	—

* Including yield from slimes, &c.

Dividends per cent.—Account 1912, 125. Account 1913, June, 35; Oct., 35; Feb. (1914), 55 per cent.; total, 125 per cent. Account 1914, June 35.

NUNDYDROOG.—Capital £283,000, in 10s. shares.

Year ends Dec. 31	From Mill			From Tailings			Total Gold Secured		Price end of Period
	Tons of 2,000 lb.	Oz.	per Ton	Tons	Oz.	per Ton	Oz.	Oz.	
Dec. 31									
1912 ...	100,552	80,130	16.0	95,662	7,581	1.5	87,719	80,173	27/6
1913 ...	90,650	73,046	16.1	94,665	7,733	1.5	80,379	87,769	27/0
1914.									
Mar. qr. ...	22,300	18,245	16.3	23,514	1,672	1.4	19,917	20,379	25½-xd
* June qr.	22,100	18,129	16.4	24,140	1,693	1.4	19,822	19,420	27/0
July ...	7,500	6,016	16.0	8,054	612	1.5	6,628	6,665	23,0xd
Aug. ...	7,600	6,019	15.8	8,054	625	1.5	6,641	6,649	—

* Temporary shortage of power owing to absence of rain.

Dividends per cent.—Account 1912, total, 41½. Account 1913, June, 10; Oct., 11½; Feb., 13½ per cent.; June, 10 per cent.

Randfontein Central.—Capital, £4,500,000; issued, £4,193,700, in £1 shares. £3,000,000 of Six per Cent. Debentures, some of which were purchased in 1913. Plant: 1,000 stamps, 29 tube mills.

Year ends Dec. 31	Tons Milled		Revenue		Expenses		Profit		Price end of Period
	Stps.	Milled	£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31									
1913 ...	800	2,523,043	3,103,166	24/6	2,182,632	17/3	921,134	7/3	1½
1914.									
Mar. qr. 870	av.	546,753	653,735	23/10	483,517	17/8	170,218	6/2	1
June qr. 950		637,409	744,722	23/4	530,572	16/8	214,150	6/8	½
July ...	950	227,047	258,783	22/9	186,723	16/5	72,060	6/4	1½
Aug. ...	950	221,939	257,343	23/2	183,196	16/6	74,150	6/8	1½

Dividends—1912, Dec., 5 per cent. 1913, June, 7½ per cent.; Dec., 2½ per cent. 1914, June, nil.

Sheba.—Issued capital £269,738 10s., in 1,078,954 shares of 5s. each. Estimated monthly results:—

Year to June 30	Tons Milled		Revenue		Expenses		Profit		Price end of Period
	£	Ton	£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31									
1913-14 ...	74,955	165,124	44/1	115,240	30/10	49,684	13/3	4/6	
1914-15.									
July ...	7,008	13,158	37/5	9,816	28/2	3,272	9/3	7½xd	
Aug. ...	7,023	12,597	35/9	9,352	26/7	3,245	9/2	5½xd	

Dividends—Account 1911-12, 15 per cent. 1912-13, 17½ per cent. 1913-14, Oct., 5; Feb., 5; June, 5 per cent.



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TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 9, 1914.

Issue Department.

Notes Issued.....	£65,229,205	Government Debt.....	£11,015,100
		Other Securities.....	7,434,800
		Gold Coin and Bullion.....	46,779,205
	£65,229,205		£65,229,205

Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities	£25,747,597
Res.....	3,729,729	Other Securities.....	118,922,759
Public Deposits.....	24,408,348	Notes.....	30,007,620
Other Deposits.....	130,704,492	Gold and Silver Coin	729,224
Seven-day and other Bills	13,651		
	£173,407,190		£173,407,190

Comparison with Four Previous Weeks.

[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.	Securities.	Reserve.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	Govt.	Other.	
Aug. 12	35.9	33.0	7.9	83.3	23.0	70.6	15.5
— 19	37.2	37.9	13.7	108.1	28.0	94.7	19.2
— 28	35.6	43.5	23.9	123.9	29.8	109.9	25.3
Sept. 2	35.3	47.8	28.7	135.3	28.0	121.8	30.9
— 9	35.2	47.5	24.4	131.0	25.7	117.0	30.7

* August 8, 1914.

CURRENCY NOTE ISSUE.—The return of currency notes issued and in circulation for the week ended Sept. 9 is as follows:—

I.—Issue Account.

Total issued up to Sept. 2, 1914, inclusive.	£	s.	d.	Notes cancelled up to Sept. 2, 1914, inclusive.	£	s.	d.
£1.....	22,485,281	0	0	£1.....	2,138,057	0	0
10s.....	4,818,551	10	0	10s.....	9,292	0	0
Issued during the week ended Sept. 9, 1914.				Cancelled during the week ended Sept. 9, 1914.			
£1.....	1,864,683	0	0	£1.....	992,368	0	0
10s.....	1,126,612	10	0	10s.....	42,291	0	0
Total.....	£30,295,135	10	0	Total.....	£3,182,008	0	0
				Outstanding.			
				£1.....	21,219,547	0	0
				10s.....	5,993,580	10	0
Total.....	£30,295,135	10	0	Total.....	£30,295,135	10	0

II.—Balance Sheet.

Notes outstanding	£	s.	d.	Advances—	£	s.	d.
27,113,127	10	0		Scottish and Irish			
				Banks of Issue.....	103,000	0	0
				Other Bankers.....	1,485,700	0	0
				P. O. Savings Bank.....	3,250,000	0	0
				Trustee Savings Banks.....	1,353,000	0	0
				Gold Coin and Bullion.....	3,000,000	0	0
				Government Securities.....	10,923,545	17	5
				Balance at Bank of England.....	7,002,831	12	
	£27,113,127	10	0		£27,113,127	10	0

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
Sept. 3, Thursday ...	200,000 U.S. coin. 818,000 bars.	Nil.
" 4, Friday ...	14,000 bars. 41,000 U.S. coin.	Nil.
" 5, Saturday ...	Nil.	Nil.
" 7, Monday ...	50,000 bars. 134,000 U.S. coin.	Nil.
" 8, Tuesday ...	79,000 bars.	Nil.
" 9, Wednesday ...	55,000 bars.	3,000,000*
Total for week ...	1,191,000	3,000,000
Net aggregate ...	[1,809,000 efflux for week.]	
Sept. 10, Thursday...	1,052,000 bars. 151,000 U.S. coin.	Nil.
" 11, Friday ...	11,000 bars. 124,000 U.S. coin.	Nil.

* Treasury Note Redemption Account.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation.....	£28.5	£29.4	£28.9	£29.0	£35.2
Public Deposits.....	5.4	9.9	15.5	9.0	24.4
Private Deposits.....	42.6	44.3	47.4	43.6	131.0
Government Securities.....	14.2	14.6	13.4	12.4	25.7
Other Securities.....	24.6	26.4	36.1	26.5	117.0
Reserve.....	27.5	31.5	31.7	31.8	30.7
Ratio to Liabilities.....	57.1%	58.10%	50.34%	60.64%	19.81%
Bullion (both Departments).....	37.6	42.5	42.4	42.4	47.5
Money:					
Bank of England Rate.....	3%	3%	4%	4%	5%
Bank of France Rate.....	3%	3%	3%	4%	5%
Rate 3 months' Bills London	2½%	3½-4%	3½-4%	3½-4%	3½%
Exchanges:					
Paris Cheque.....	25 23½	25 19½	25 28½	25 25	nom.
Hamburg 8 days.....	20 42	20 48	20 44½	40 41½	nom.
New York 60 days.....	4 84½	4 83-30	4 82-65	4 82-45	nom.
Bombay Telegraphic Transfers.....	1/3½	1/4½	1/4½	1/4½	Hol.
Prices:					
Cousols 2½ % Cash.....	83.7	77.7	74.7	73.7	69½
French Rents 3 % Money.....	98.85	97.35	92.47	90.07	75
Silver, London spot.....	-126.2	-124	-128½	-127½	-124½
Wheat, Cassels average.....	30.2	31.10	35.1	31.11	36.5
Cotton, Mid. Upland.....	-68.0	-71.18	-67.2	-77.51	-78.00
Iron, Scotch pig.....	51/9s.	52/9	71/9	69/9	57/1½

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY	Cash.			Ad- vances.	Note Circulation.		Other Securi- ties.		
	Gold.	Silver.	Total.		Amount.	Above or beneath legal max.			
July 7, '14 ...	£	£	£	£	£	£	£		
July 15, '14 ...	52.119	12.047	64.168	8.310	94.054	- 2.389	34.570		
July 23, '14 ...	51.966	12.068	64.132	7.934	90.517	+ 1.018	32.209		
July 23, '13 ...	51.578	12.141	63.719	7.772	88.740	+ 2.478	31.993		
July 23, '12 ...	50.579	10.784	61.373	9.305	90.527	- 1.655	32.720		
July 23, '11 ...	51.631	12.272	63.903	6.082	87.878	+ 3.024	30.477		
BELGIUM.	Cash.			Discounts.	Circulation.	Deposits.			
	Gold.	Silver.	Total.						
July 23, 1914...	£10,465	£2,763	£13,228	£26,155	£39,058	£3,452			
July 30, 1914...	10,466	2,241	12,707	33,483	44,768	4,969			
Aug. 6, 1914...	10,977	633	11,610	41,925	51,800	6,263			
Aug. 7, 1913...	9,453	2,770	12,223	27,835	39,460	4,665			
Aug. 8, 1912...	8,078	2,899	10,775	25,865	37,108	4,051			
DENMARK.	Coin and Bullion.		Discounts.	Balance Abroad.	Securities.	Circulation.	Deposits.		
June 30, 1914 ...	£4,565		£5,309	£1,102	£802	£8,879	£264		
July 31, 1914 ...	4,352		6,197	786	588	8,693	47		
Aug. 31, 1914 ...	4,150		8,176	1,395	588	10,768	625		
Aug. 30, 1913 ...	4,154		4,816	1,111	511	8,038	58		
Aug. 31, 1912 ...	3,977		4,739	968	531	7,685	49		
FRANCE.	Cash.			Circulation.	Public Deposits.	Private Deposits.			
	Gold.	Silver.	Total.						
July 16, 1914...	£163,707	£26,407	£190,114	£ 64,832	£241,787	£11,596	£ 37,161		
July 23, 1914...	164,178	25,584	189,760	61,843	236,476	16,024	37,719		
July 30, 1914...	165,654	25,013	190,667	97,768	267,327	15,302	37,930		
July 31, 1913...	134,489	25,095	159,584	73,616	227,073	15,523	29,257		
Aug. 1, 1912...	131,467	32,071	163,538	51,649	209,587	11,632	25,877		
GERMANY.	Cash.			Loans & Dis- counts.	Note Circulation.		Deposits.		
	Gold.	Silver.	Total.		Amount.	Above or beneath legal max.			
Aug. 15, '14...	£75,426	£4,085	£79,511	£230,348	£194,097	—	£127,588		
Aug. 22, '14...	76,489	3,317	79,806	238,939	199,998	—	130,988		
Aug. 31, '14...	77,825	4,114	81,939	242,749	211,744	—	122,067		
Aug. 30, '13...	56,073	14,000	70,073	52,842	95,784	+ 3,782	30,579		
Aug. 31, '12...	45,563	16,434	61,997	60,237	87,835	+ 4,274	32,158		
HOLLAND.	Cash.			Dis- counts.	Ad- vances.	Circulation.	De- posits.		
	Gold.	Silver.	Total.						
Aug. 22, 1914 ...	£13,510	£87	£13,577	£15,407	£11,234	£36,574	£2,737		
Aug. 29, 1914 ...	13,512	192	13,704	15,009	11,349	37,018	2,513		
Sept. 5, 1914 ...	13,517	226	13,743	15,539	10,512	37,099	2,462		
Sept. 8, 1913 ...	12,359	667	13,026	5,724	7,121	25,654	312		
Sept. 7, 1912 ...	10,022	884	12,706	7,069	6,405	24,864	281		
ITALY.	Cash.		Inland Bills.	Foreign Bills.	Ad- vances.	Securi- ties.	Circulation.	Deposits.	
July 10, '14 ...	£48,200		£18,168	£3,301	£3,518	£8,178	£67,129	£7,890	
July 20, '14 ...	48,338		17,679	3,312	3,127	8,175	66,445	8,182	
July 31, '14 ...	48,456		20,416	3,033	4,601	8,167	69,204	8,887	
July 31, '13 ...	49,337		18,183	2,818	3,447	5,559	66,763	8,381	
July 31, '12 ...	48,103		18,296	2,817	4,310	6,607	65,915	7,833	
N. YORK BANKS & TRUSTS.	Loans and Dis- counts.		Reserve. Legal Tenders.		Total.	Deposits.	Circulation.	Cash Surplus Reserve.	
	Specs.								
Aug. 1, '14 ...	£411,238		£72,676		£16,211	£88,887	£387,164	£8,316	£1,720
Aug. 8, '14 ...	417,031		62,316		15,002	77,318	381,789	10,218	Def. 8,623
Aug. 15, '14 ...	424,399		61,788		14,761	76,547	382,530	14,803	Def. 8,598
Aug. 22, '14 ...	425,805		62,472		15,047	77,519	382,510	17,708	Def. 8,544
Aug. 29, '14 ...	425,534		63,588		15,248	75,836	380,640	20,632	Def. 8,772
Sept. 5, '14 ...	427,392		63,218		14,984	78,202	380,478	22,872	Def. 7,428
Sept. 6, '13 ...	393,633		67,105		15,789	82,894	362,977	8,991	805
Sept. 7, '12 ...	406,811		63,637		16,686	85,303	377,788	9,184	779
NORWAY.	Gold.		Balance Abroad.	For. Govt Securities.	Discounts & Loans.	Circulation.	Deposits.		
Aug. 15, 1914...	£3,168		£1,527	£496	£6,588	£8,088	£1,265		
Aug. 22, 1914...	3,118		1,317	496	6,503	7,876	1,256		
Aug. 31, 1914...	3,118		1,302	496	6,514	7,726	1,154		
Aug. 31, 1913...	2,557		1,783	504	3,925	5,955	343		
Aug. 31, 1912...	2,140		1,429	518	3,547	5,371	423		
RUSSIA.	Cash.			Notes in Reserve.	Loans & Discounts.	Circulation.	Total Deposits.		
	Gold.	Silver.	Total.						
Aug. 14, '14...	£172,167	£6,316	£178,483	£78,938	£120,219	£232,106	£121,116		
Aug. 21, '14...	172,323	6,041	178,364	114,073	120,486	241,093	105,640		
Aug. 28, '14...	172,433	5,966	178,399	93,605	121,433	243,139	95,792		
Aug. 29, '13...	162,492	7,462	169,954	54,072	84,262	152,093	107,253		
Aug. 29, '12...	155,935	8,039	163,974	63,512	60,138	133,649	97,678		
SPAIN.	Cash.			Loans, &c.	Spanish 4 %	Circulation.	Deposits, &c.		
	Gold.	Silver.	Total.						
Aug. 14, '14...	£21,813	£27,463	£49,276	£45,940	£13,778	£80,101	£20,505		
Aug. 22, '14...	21,815	27,422	49,237	46,528	13,778	79,925	21,032		
Aug. 29, '14...	21,818	27,438	49,254	47,032	13,778	79,887	21,625		
Aug. 30, '13...	18,545	29,985	48,530	40,072	13,778	75,375	16,794		
Aug. 31, '12...	17,088	30,171	47,259	39,860	13,778	73,087	18,691		
SWEDEN.	Gold.		Balance Abroad.	Swed. & For. Govt Secs.	Discounts & Loans.	Circulation.	Deposits.		
Aug. 15, '14 ...	£5,727		£2,857	£158	£10,234	£15,372	£4,146		
Aug. 22, '14 ...	5,729		2,780	158	9,916	15,126	4,255		
Aug. 29, '14 ...	5,734		2,926	144	9,338	15,032	3,904		
Aug. 30, '13 ...	5,703		3,875	1,264	7,472	11,914	2,686		
Aug. 31, '12 ...	5,414		5,236	1,316	6,323	11,547	2,706		
SWITZER- LAND.	Cash.			Discounts & Advances.	Circulation.	De- posits.			
	Gold.	Silver.	Total.						
Aug. 15, 1914...	£8,252	£270	£8,522	£12,537	£17,431	£3,381			
Aug. 22, 1914...	8,491	278	8,769	12,663	17,615	3,482			
Aug. 29, 1914...	8,601	298	8,899	12,662	18,097	2,787			
Aug. 31, 1913...	7,130	560	7,690	5,161	11,179	1,697			
Aug. 31, 1912...	6,544	677	7,221	4,333	10,249	778			

ARGENTINA—Gold in Caja de Conversion (et 42, per peso).	
1914—June 25	£42,890,991
30	42,800,000
July 8	42,029,000
16	40,725,375
23	39,898,202
30	39,884,523
Aug. 5	38,800,000

BRAZIL—Gold in Caixa de Conversão (at 16d. per milreia).	
1914—July 11	£11,639,831
18	11,135,592
25	10,945,617
Aug. 1	10,453,266
3	10,374,281
3 (lowest)	10,374,281
1913—Dec. 31	20,721,521
Feb. 12 (maximum)	26,772,300

II.—FOREIGN RATES OF DISCOUNT.

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
Sept. 10, 1914	5 1/2	8 1/2	5 1/2	7 1/2	8 1/2
Sept. 11, 1913	5 1/2	8 1/2	5 1/2	7 1/2	8 1/2

a Aug. 20, '14	b Aug. 1, '14	c Aug. 20, '14	d Aug. 3, '14	e Aug. 2, '14
f Oct. 31, '12	g Nov. 1, '12	h June 25, '13	i Oct. 18, '12	j Nov. 15, '12

Comparison of Market Rates.

Date.	Paris.	Berlin.	Prime New York.	Call Money.	Amsterd.	Brussels.	Vienna.
July 18, '14	23-23 1/2	24 1/2	3 1/4-4 1/4	2 1/2	3 1/4	3 1/4	3 1/4
July 23, '14	23-23 1/2	24 1/2	4 1/4-5	2 1/2	3 1/4	3 1/4	3 1/4
July 30, '14	3 1/4	4	5-5 1/2	5	Closed	Closed	Closed
Sept. 11, '13	3 1/4	5 1/2	5 1/2-6	2 1/2	4 1/4	4 1/4	5 1/2

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—		July 30, '14	July 23, '14	July 16, '14	Sept. 11, '13
Amsterdam	Cheques	12d. 3/4	12d. 2 1/2	12d. 2 1/2	12d. 2 1/2
Antwerp	3 months	25t. 5 1/2	25t. 5 1/2	25t. 5 1/2	25t. 5 1/2
Berlin	do.	20m. 87p.	20m. 65p.	20m. 74p.	20m. 74p.
Genoa	do.	25t. 6 1/2	25t. 6 1/2	25t. 6 1/2	25t. 6 1/2
Hamburg	do.	20m. 67p.	20m. 65p.	20m. 74p.	20m. 74p.
Lisbon	do.	48 1/2	45 1/2	44 1/2	44 1/2
Madrid	do.	45 1/2	45 1/2	45 1/2	45 1/2
Paris	Cheques	24t. 92p.	25t. 1 1/2	25t. 1 1/2	25t. 1 1/2
—	3 months	—	25t. 38p.	25t. 38p.	25t. 62p.
Petrograd	do.	—	24 1/2	24 1/2	24 1/2
Vienna	do.	—	24k. 50s.	24k. 43s.	24k. 51s.

Foreign Rates of Exchange on London, &c.

	Sept. 10, '14	Sept. 3, '14	Aug. 27, '14	Sept. 11, '13
Alexandria	Sight 96 1/2	96 1/2	96 1/2	87 1/2
Amsterdam	Sight 12c. 25c.	12c. 30c.	12c. 30c.	12c. 11 1/2
Berlin	Sight	—	—	20m. 42p.
Antwerp	Cheques	26t. 50s.	27t. 50s.	25t. 39p.
Buenos Ayres	90 days	49 1/2	49 1/2	47 1/2
Calcutta	Telegraph	1s. 3 1/4	1s. 3 1/4	1s. 4 1/2
Constantinople	Bank 3m.	—	—	16 1/2
Hamburg	8 days	—	—	20m. 39p.
Hong Kong	Transfers	1s. 9 1/2	1s. 9 1/2	1s. 11 1/2
Italy	Sight	26t. 70s.	26t. 70s.	25t. 57p.
Japan	Transfers	2s. 0 1/2	2s. 0 1/2	2s. 0 1/2
Madrid	Sight	24p. 50	24p. 50	24p. 50
—	Gold pm.	—	—	6 1/2
Mexico	Sight	—	—	—
Montevideo	90 days	£2 1/4	£2 1/4	£1 1/4
New York	Sight	nom.	nom.	84 1/2
—	60 days	nom.	nom.	84 1/2
—	Cables	£5 00c.	£5 00c.	£5 00c.
Paris	Cheques	—	—	25t. 22p.
Rio de Janeiro	90 days	—	—	14 1/2
Petrograd	3 months	107r. 50	110r. 0	105r. 0
Shanghai	Transfers	2s. 4 1/2	2s. 3 1/2	2s. 8 1/2
Strait	Transfers	—	—	2s. 4 1/2
Velpersaio	90 days	84 1/2	84 1/2	93 1/2
Vienna	Rhort	—	—	24k. 13 1/2
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
U. S. Gold coin, .oz.	76s. 4d.	76s. 4d.	76s. 4d.	76s. 4d.
Bar Silver (.925) .oz.	24 1/2	24 1/2	24 1/2	24 1/2
Mexican Dollars	27d. nom.	27d. nom.	27d. nom.	27d. nom.

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Incr. or Dec.	1914 Aug.	Incr. or Dec.	%
BIRMINGHAM	Sept. 5	1,840,174	148,691	55,487,718	+ 2,332,656	+ 4 1/4
Bristol	Sept. 5	820,000	152,000	25,254,000	+ 734,000	+ 3 0
Durham	Sept. 5	2,928,100	523,000	119,850,300	+ 2,977,700	+ 2 2
Leeds	Sept. 5	565,696	97,250	18,153,543	+ 559,783	+ 3 0
Liverpool	Sept. 5	3,109,981	332,248	10,873,504	+ 438,037	+ 4 1
Manchester	Sept. 5	3,398,079	1,330,131	185,939,897	+ 1,488,265	+ 0 8
Newcastle	Sept. 5	5,409,897	2,295,489	237,881,697	+ 15,618,799	+ 8 1
Notttingham	Sept. 5	1,244,800	61,000	42,099,450	+ 1,291,690	+ 2 9
Sheffield	Sept. 5	339,262	42,194	13,280,189	+ 848,345	+ 6 8
TOTAL	Sept. 5	5,687,002	148,728	18,408,705	+ 860,083	+ 9 6
TOTAL	Sept. 5	17,038,550	4,879,731	705,738,902	+ 15,488,929	+ 2 1
Wkly. Av. 1914	1914	16,603,803	430,247	—	—	+ 2 1
Wkly. Av. 1913	1913	16,995,571	1,024,088	—	—	+ 5 8
Wkly. Av. 1912	1912	15,378,380	948,927	—	—	+ 3 1
Wkly. Av. 1911	1911	18,042,970	548,718	—	—	+ 6 3

LONDON—		1914.	1913.	1912.
TOWN	Sept. 9	128,543	101,794	9,597,064
METROPOLITAN	Sept. 9	13,599	149	608,715
COUNTRY	Sept. 9	25,057	1,765	958,890
TOTAL	Sept. 9	187,196	103,400	11,132,469

The following special items are included in the London clearing:—

STOCK EXCHANGE		CONSOLS		"FOURTH" OF THE MONTH.	
Settling Days.	1914.	Settling Days.	1914.	Settling Days.	1914.
1914	£ 84,137	1914	£ 53,873	1914	£ 85,373
June 28	+ 4,289	May 6	+ 2,090	July 4	+ 9,450
July 10	+ 18,329	June 2	+ 2,023	Aug. 7	+ 14,530
July 29	+ 15,032	July 1	+ 22,527	Sept. 4	+ 23,299
1914	1,323,914	1913	515,588	1913	502,323
	+ 65,015		+ 58,083		+ 267

* Compared with a year ago.

V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—

HOMEWARDS.		1914.	1913.	Homewards—continued.		1914.	1913.
Alexandria to Lond. or Hull	—	11/0	—	U.S. At. Ports to L.H.B.	—	—	—
Australia to U.K. or Cont.	30/0	31/0	—	(cotton)	—	38/9	—
Asaf to L.H.A.R.	—	13/8	—	U.S. to U.K. (rr.)	2/3	3/3	—
Bombay to pp.	d.w.20/0	d.w.23/8	—	N.O. to U.K. (rr.)	2/6	—	—
Burmah o.o.	—	27/0	—	OUTWARDS.—Oariff to	—	—	—
Calcutta to pp.	35/0	July 27/8	—	Bom. Col. Port River St. Via	—	—	—
Damascus to A.R.	9/0	11/3	—	Year. bay. ombo. Said. Plato. cent.	—	—	—
Odessa to L.H.A.R.	—	12/6	—	1914	10/0	10/0	8/6
R. Plate to U.K.	15/0	16/9	—	1913	12/6	13/3	9/0

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	SEPT. 12.	1914.*	1913.	1912.
METALS.				
Iron—Scottish pig warrant	ton	57 1/4	60/8	71/8
—Middlesbrough warrants	ton	51/0	55/8	65/9
—Hematite warrants	ton	66/0	67/3	80/3
—Staffordshire bars, London	ton	68	69 10	69 10
—Common bars	ton	68	67 12 8	63 5
—Stock, Scotch, Sept. 10	tons	1,000	1,085	1,000
—Middlesbrough	tons	92,652	179,547	224,093
—W. O. hematite	tons	NU	18,875	33,370
Steel Rails	ton	28 15	28 12 8	28 10
Copper—Standard	ton	£38 10	£72 10—£72 15	£78 5—£78 6 1/2
—Stock, Europe and abroad	tons	28,870	28,508	37,438
Tin—English ingots	ton	£137	£198—£199	£225—£225 10
—Straits	ton	nom.	213 10	£223—£223 5
Tinplates—Charcoal L.O.	box	13/3—13/8	13/11	15/8—16/8
Lead—Soft Foreign	ton	nom.	£20 2 1/2	£20 2 1/2
—Silesian Ordinary	ton	nom.	£21 6 3	£21 6 3
Quicksilver—(76 lb.)	bottle	28 15	27 5	26 7 1/2—26 12 1/2
Aluminium	ton	nom.	£30	£30
Antimony—Regulus	ton	£35	£28 10—£30 10	£28 5—£28 7 1/2
Coal—Best London	ton	20/0	21/8	20/0
—Steam (best) Newcastle	ton	13/9	15/3	14/0
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical awt.	ton	11/3	11/11	11/7 1/2
Soda—Crystals ex ship	ton	£2 2/8—£2 5	£2 2/8—£2 5	£2 2/8—£2 5
Dyes—Coch. Tenderiff Silver, lb.	lb.	2/0—2/3	1/10—2/0	1/8—2/0
Indigo—Bengal good to fine, lb.	lb.	8/8—7/0	3/0—3/8	3/2—3/8
—Stock, Aug. 31	cheats	919	1,597	1,746
Linseed Oil—spot	ton	£28	£25 2/8	£24
Linseed—Sept. Oct.	410lb.	—	49/0	68 8
Oilive Oil—Spanish	ton	nom.	£48—£49	£50—£52
Palm Oil—Lagos	ton	—	£37	£33 10
Petroleum—American	gallon	—	7/4	7/8—8/1
Rape Oil—Refined English	ton	£34 10	£30 5	£34
Tallow—Brit. Town	cwt.	29/8	35/0	34/3
—Stock, Aug. 31	coaks	11,433	19,599	19,847
Turpentine—Amer. Spirit	ton	34/0	28 9	30/9
Rape Seed—Owpe. brown 410lb.	ton	nom.	48/6	49/6
Rubber—Para. spot	lb.	2/10 1/2	3/8	4/8 1/2
—Para plantation	lb.	2/11	2/4	4/8 1/2
—World's Stock, July	tons	11,021	8,559	7,318
TEXTILES.				
Cotton—Mid. Upland	lb.	7/8 00	7/5 1/2	7/6 1/2
—Egyptian good fair	lb.	7/7 1/2	7/8 5	7/9 1/2
—Permanum, fair	lb.	7/5 1/2	7/5 1/2	7/5 1/2
—Mid. Up. N. York	lb.	10/0	13/15	11/7 1/2
—Stock, Liverpool, Sept. 4	bales	880,810	524,450	568,150
Flax—Petrograd Yarnol	ton	—	£24 10	—
Hemp—New Zealand	ton	£25 15	£30 5	£27 15
—Manila, fair	ton	£28 10	£30 5	£28
Jute—First Marks	ton	£35	£33 10	—
—Red 800	ton	£32	£30 15	—
Silk—Blue Elephant	lb.	11/3—11/8	10/9—11/0	10/3—10/6
Wool—Frt. Philippine Sav. lb.	lb.	11/11—1/0	11/11—1/0	11/11—1/0
FOODSTUFFS, &c.				
Wheat—Viscup. U.S. Sept. 8 bas.	30,104,000	45,329,000	23,182,000	—
—Red, price, N. Y. 60b.	bushel	123c.	88 1/2	102 1/2
—Galle, aver. orice, 480b. qr.	qr.	38/5	31/11	35/1
Flour—Lond. White ex Mill 280b.	qr.	38/0	31/8	30/8
Barley—Gaz. aver. price 400b. qr.	qr.	30/8	30/11	29/9
Hops—English	cwt.	£8 5—£7	£7—£7 10	£10 15—£12
Oats—Gaz. aver. price 312b. qr.	qr.	23 9	17/8	21/8
Hay—Best	ton	90/0—85/0	95/0—108/0	105/0—115/0
Malze—N. Y. (New bushel) 56lb.	—	77c.	84 1/2	55c.
Rice—Imports since Jan. 1	tons	20,253	9,331	14,799
—Deliveries do.	tons	15,229	11,401	7,874
—Stock	tons	9,719	6,856	6,856
—Price, Basella	cwt.	—	8/3—8/8	10/0—11/0
Bacon, Irish	cwt.	87/0	78/0—82/0	70/0—80/0
Butter, Danish	cwt.	127/0	125/0—127/0	128/0—129/0
Cocoa, Trish. mid. to fine red cwt.	cwt.	59/0—81/0	72/0—74/0	73/0—74/0
—Granada, good to fine	cwt.	54/8—58/0	87/0—70/8	63/0—65/0
Coffee—Imports since Jan. 1	tons	40,494	36,898	24,998
—Home consumption do.	tons	10,960	10,641	11,748
—Exports do.	tons	18,619	13,811	10,999
—Stock	tons	21,383	14,818	13,117
—Price Costa Rica gd to fine cwt.	cwt.	80/0—93/0	80/0—88/0	85/0—102/6
—Brazil (Santos)	cwt.	42/3	42/3	42 1/2
Sugar—Impts. since Jan. 1	tons	499,508	652,499	549,448
—Deliveries do.	tons	552,445	591,282	575,010
—Stock	tons	48,972	117,089	85,409
—Price Java, 94% Off Coast	cwt.	—	10/7	11/9—12/3
—Beet, 88% AOK	cwt.	—	9/8	11 1/2
—French Indias, Sav's	cwt.	—	14 8	16/10
Tea—Imports ... (for 8 mths.) lb.	195,247,056	183,433,545	194,902,768	—
—Home consumption do. lb.	215,643,861	201,504,329	197,548,711	—
—Exports do.	33,537,451	36,605,994	30,093,598	—
—Stock, Aug. 31	83,428,000	82,223,000	98,348,000	—
—Price, Indian, Pak. Song. good lb.	—	—	—	—
—Ceylon, Pak. Song. Ord. lb.	—	—	—	—

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS, 17 HOME RAILS, 31 WEEKS TO AUG. 2.

[In £'s sterling 000's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Caledonian	1.149	—	£1,226	+ 33	£1,758	— 58	£3,024	— 25
Glasgow & S.W.	471	—	555	+ 10	819	— 23	1,174	— 13
Great Central	683	+ 1	770	+ 29	2,112	— 110	12,882	— 81
Great Eastern	1,207	—	1,852	+ 1	1,530	— 3	3,382	— 2
Great Northern	1,032	—	1,605	+ 7	2,302	— 17	3,907	— 10
Gt. S. & W. (Ireland)	1,130	—	442	— 4	480	— 23	902	— 27
Great Western	2,984	+ 18	4,255	+ 90	4,701	+ 12	8,956	+ 102
Lanc. & Yorkshire	600	+ 3	1,678	+ 4	2,024	— 119	3,700	— 115
London & N.W.	2,034	+ 4	4,217	+ 50	5,150	— 151	9,387	— 101
London & S.W.	984	—	2,061	+ 4	995	— 7	3,056	— 12
Lon., Brighton & S.G.	1,584	—	1,518	+ 4	503	— 1	2,019	+ 5
Midland	1,584	—	2,878	+ 40	5,289	— 124	8,167	— 84
North British	1,373	—	1,178	+ 20	1,843	— 43	3,019	— 23
North-Eastern	1,753	+ 2	2,270	+ 68	4,219	— 149	6,488	— 83
North London	18	—	98	+ 10	144	— 8	242	— 16
S.E. & Chatham Rys.	654	—	2,299	+ 1	695	+ 6	2,994	+ 7
Total for 31 weeks '14	18,126	+ 25	28,938	+ 338	34,344	— 814	63,280	— 478
Total for 31 weeks '13	17,916	+ 44	28,209	+ 1,702	34,361	+ 3,724	63,070	+ 5,426
31st wk. to Aug. 2, '14	18,126	+ 25	1,658	— 19	1,121	— 30	2,779	— 49
31st wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 88	1,140	— 3	2,795	+ 85

HOME.	Week to	Mileage		Gross	+ or -	Wks	+ or -	Total.
		Aug. 2	+ or -					
Barry	68	—	—	31	—	510.174	—	5,753
Brec. & Mer.	81	—	—	31	—	86.928	—	142
Caledonian	1,149	—	—	31	—	3,024.000	—	25,000
Cambrian	300	—	—	31	—	193.872	—	2,300
Central London	7	—	—	31	—	153.118	—	2,378
City & S. Lond.	7	—	—	31	—	82.703	—	5,243
Furness	139	—	—	31	—	323.501	—	18,834
Glasg. & S.W.	471	—	—	31	—	1,174.200	—	12,600
Gt. Central	811	+ 1	—	31	—	3,449.600	—	83,500
Gt. Eastern	1,207	—	—	31	—	3,382.200	—	2,700
Gt. N. of Scot.	336	—	—	31	—	316.640	—	7,230
Gt. Northern	1,032	—	—	31	—	3,907.300	—	10,000
Gt. N. (Ire.)	1,130	—	—	31	—	804.475	—	3,365
Gt. S. & W. (Ire.)	4	—	—	31	—	1,080.920	—	32,039
Gt. Western	2,984	+ 18	—	31	—	8,956.000	—	102,000
Highland	492	—	—	31	—	348.876	—	12,237
Hull & Barnsley	90	—	—	31	—	433.841	—	46,318
Lanc. & York	600	+ 3	—	31	—	3,700.350	—	114,600
London & N.W.	2,034	+ 4	—	31	—	9,387.000	—	101,000
London & S.W.	984	—	—	31	—	2,056.400	—	11,700
London Brighton	487	—	—	31	—	2,019.433	—	5,786
London Electric	211	—	—	31	—	432.635	—	1,800
Mary. & Car.	42	—	—	31	—	60.402	—	11,331
Mersey	82	—	—	31	—	69.071	—	289
Metropolitan	4	—	—	31	—	568.081	—	42,280
Met. District	25	—	—	31	—	406.451	—	353
Midland	1,584	—	—	31	—	8,167.000	—	84,000
Mid.Gt.W. (Ire.)	4	—	—	31	—	441.179	—	10,493
N. British	1,373	—	—	31	—	3,019.600	—	22,500
N. Eastern	1,753	+ 2	—	31	—	8,489.000	—	83,000
N. London	16	—	—	31	—	242.395	—	16,438
N. Staffordshire	207	—	—	31	—	620.160	—	17,970
Port Talbot	36	—	—	31	—	97.277	—	3,692
Rhond. & Swan.	31	—	—	31	—	77.775	—	2,351
Rhymney	50	—	—	31	—	228.812	—	8,715
S.E. & Chatham	654	—	—	31	—	2,994.348	—	6,997
Taff Vale	124	—	—	31	—	644.099	—	9,580

INDIAN.	Aug.	1	851	+ 46	Rupees.	Rupees.	18	21,939,385	3,055,420
Assam Bengal	Aug.	1	851	+ 46	1,225,500	14,582	18	21,939,385	3,055,420
Bengal & N.W.	Aug.	1	2,028	— 2	3,89,200	65,775	18	77,40,490	4,50,902
Bng. Nagpur	Aug.	8	2,678	+ 107	5,78,000	32,000	19	1,43,09,000	35,000
Bomb. Baroda	Sept.	5	2,827	+ 53	9,04,000	1,47,000	23	2,62,51,000	6,13,000
Burma	Aug.	1	1,342	—	3,49,889	56,475	18	78,98,050	8,49,231
East Indian	Sept.	5	2,720	+ 11	20,44,000	1,05,000	23	4,62,70,000	17,28,000
Gt. Indian Pen.	Aug.	29	2,965	—	10,59,100	3,19,600	22	3,33,03,814	9,89,345
Madras & S.M.	Aug.	8	3,132	—	6,50,000	70,518	19	1,65,68,656	6,01,255
Nizam's Guar.	Aug.	8	797	—	1,71,529	15,432	18	41,33,837	3,27,830
South Indian	Aug.	8	1,752	+ 3	5,12,486	4,160	19	1,09,15,599	4,99,668
South. Punjab	Mo. of Apr.	790	—	—	4,27,723	1,53,543	11	—	—

COLONIAL.											
Can. Northern	Sept.	7	4,670	+ 354	\$320,000	—	82,400	9	3 382,000	—	854,000
Can. Pacific	Aug.	31	12,227	+ 588	2,980,000	—	385,000	8	20,014,000	—	3,414,000
Gd.Trk.Pacific	Aug.	31	1,104	—	332,895	—	8,206	8	184,896	—	16,681
Grand Trunk	Sept.	7	4,008	—	184,796	—	2,288	9	1,784,363	—	141,725
Grd.Trunk W.	Sept.	7	338	—	27,822	—	560	9	253,343	—	5,426
Det. Grd. Ha.	Sept.	7	189	—	10,987	—	558	9	103,902	—	6,901
Mashonaland	M.of July	751	—	—	67,668	—	8,207	10†	313,788	—	67,963
NewCapeCent.	Aug.	8	205	—	1,402	—	411	32	58,802	—	4,936
Rhodesia Rlys.	M.of July	1,397	—	—	91,777	—	587	10†	814,481	—	64,228

FOREIGN.											
Antofagasta ...	Sept.	6	819	+ 25	£ 19,380	—	21,635	36	1,219,514	—	70,811
Arg. N. East	Sept.	4	667	+ 2	£ 4,750	—	2,288	10	48,020	—	22,114
Arg. Transand.	Aug.	15	111	—	£ 270	—	1,180	7	2,150	—	5,490
Brazil	Mo. of June	3,362	+ 99	£ 202,467	—	13,684	61	1,302,333	59,151	—	51,151
Paulista	Mo. of June	715	—	£ 118,687	—	30,794	61	732,000	92,934	—	92,934
Mogiana	Mo. of June	1,084	+ 24	£ 127,200	—	63	61	644,333	14,102	—	14,102
Md. Mamore	Mo. of June	226	—	£ 12,733	—	20,022	61	121,666	88,851	—	88,851
B.A. & Pacific	Sept.	5	3,518	+ 101	£ 58,000	—	30,000	10	629,000	—	225,000
B.A. Central	Mo. of May	190	+ 25	£ 17,800	—	7,500	10	267,989	—	22,374	22,374
B.A. Gt. So.	Sept.	6	3,729	+ 147	£ 56,000	—	36,000	10	876,841	—	208,641
B.A. Western	Sept.	6	1,792	+ 11	£ 32,000	—	8,000	10	343,000	—	50,000
Cent. Argentine	Sept.	5	3,282	+ 205	£ 89,500	—	39,500	10	1,165,500	—	364,200
Cent. Uruguay	Sept.	5	271	—	£ 8,815	—	4,342	10	83,927	—	32,914
" (E. Ext.)	Sept.	5	311	—	£ 2,408	—	656	10	24,234	—	8,235
" (N. Ext.)	Sept.	5	185	—	£ 1,142	—	1,123	10	14,077	—	11,873
" (W. Ext.)	Sept.	5	211	—	£ 1,030	—	641	10	10,957	—	4,234
Ord. Central	Sept.	5	1,186	—	£ 40,405	—	7,235	10	360,080	—	102,155
Cuban Central	Sept.	5	345	+ 8	£ 8,968	—	377	10	64,080	—	1,455
Egyptian Delta	Aug.	10	624	+ 1	£ 4,880	—	954	19	75,780	—	753
Eure Rios	Sept.	5	730	—	£ 6,700	—	3,400	10	73,200	—	28,600
Gt. W. of Brazil	Sept.	5	1,010	+ 8	£ 6,300	—	5,500	36	444,300	—	27,400
La Guairal & Ca.	Mo. of Jan'y	23	—	£ 9,000	—	500	7	77,250	—	3,250	3,250
Leopoldina	Sept.	5	1,762	+ 51	£ 20,450	—	19,518	36	1,089,801	—	85,489
Manila North	Sept.	5	325	+ 21	£ 2,261	—	2,134	36	229,456	—	14,319
" South	Sept.	5	229	+ 54	£ 1,051	—	2,518	36	120,856	—	14,224
Mid Uruguay	Mo. of Aug.	319	—	£ 7,470	—	2,884	27	17,066	—	2,894	2,894
Nitrate (2 wks.)	Aug.	31	368	—	£ 13,333	—	14,931	34	448,546	—	3,985
N.W. Uruguay	Mo. of Aug.	113	—	£ 16,000	—	7,588	27	36,500,000	—	13,199	13,199
Ottoman	Sept.	5	379	—	£ 8,149	—	1,738	10	84,477	—	7,447
Paraguay Cent.	Sept.	5	255	+ 23	£ 2,570	—	690	10	22,230	—	8,860
Peruvian Corp.	Mo. of June	1,059	—	£ 100,341	—	18,939	12	12,530,954	—	880,298	880,298
Puerto Cabello	Mo. of July	24	—	£ 3,250	—	500	7	27,750	—	—	—
" vador ?	Sept.	5	100	—	£ 17,250	—	3,250	10	191,666	—	934
San Paulo	Aug.	30	154	—	£ 19,069	—	41,593	9	269,288	—	185,274
Taitai	Mo. of Aug.	184	—	£ 16,985	—	8,355	21	41,513	—	8,595	8,595
U. of Havana	Sept.	5	681	+ 8	£ 18,096	—	1,800	10	183,490	—	11,039
Urug. E. Coast	July	25	73	—	£ 458	—	64	4	1,585	—	531
Urug. Northern	Mo. of Aug.	73	—	£ 1,298	—	793	27	2,787	—	1,528	1,528
W. of Havana	Sept.	5	147	—	£ 5,172	—	555	10	54,941	—	3,105
Zafra & Hiva	Mo. of July	112	—	£ 13,818	—	3,364	7	96,644	—	2,064	2,064

GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Name.	Period.	Gross.	+ or -	Net.	+ or -
Alabama Gt. Southern	June	\$428,000	+ 1,000	\$58,000	— \$32,000
12 mos.	to June	5,385,000	+ 153,000	1,158,000	— 258,000
Atchafson, Top. & S. Fe.	July	9,609,000	+ 486,000	2,871,000	+ 441,000
12 mos.	to June	71,110,000	+ 6,786,000	32,115,000	+ 2,476,000
Atlantic Coast Line	July	2,538,000	+ 52,000	318,000	— 413,000
12 mos.	to June	36,833,000	+ 710,000	9,064,000	— 930,000
Baltimore & Ohio	July	8,147,000	+ 874,000	2,272,000	— 368,000
12 mos.	to June	97,411,000	+ 4,146,000	25,357,000	— 2,419,000
Canadian Northern	July	1,594,300	+ 334,500	430,500	— 83,800
12 mos.	to June	22,700,700	+ 278,000	6,351,700	+ 302,700
Canadian Pacific	July	10,482,000	+ 1,511,000	3,778,000	— 338,000
12 mos.	to June	129,810,000	+ 9,530,000	42,426,000	+ 3,819,000
Chesapeake & Ohio	July	3,264,000	+ 340,000	935,000	+ 59,000
12 mos.	to June	36,690,000	+ 1,605,000	11,036,000	+ 402,000
Chicago & N. Western	July	7,310,000	+ 113,000	1,863,000	— 188,000
12 mos.	to June	83,677,000	+ 642,000	20,027,000	+ 1,170,000
Chic. Burl. & Quincy	July	—	+ 39,000	—	+ 132,000
11 mos.	to May	85,239,000	+ 1,604,000	24,040,000	+ 1,642,000
Chicago Great Western	June	1,158,000	+ 67,000	233,000	— 65,000
12 mos.	to June	14,260,000	+ 262,000	3,338,000	— 322,000
Chic. Mil. & St. Paul	July	7,825,000	+ 96,000	2,384,000	+ 154,000
12 mos.	to June	93,586,000	+ 2,275,000	28,607,000	+ 944,000
Ch. St. P. Min. & Omaha	July	1,557,000	+ 114,000	427,000	+ 125,000
12 mos.	to June	17,992,000	+ 1,000,000	4,396,000	+ 128,000
Clev. Cin. Chic. & St. L.	July	3,147,000	+ 156,000	730,000	+ 627,000
7 mos.	to July	19,731,000	+ 1,364,000	1,713,000	— 97,000
Colorado & Southern	July	1,124,000	+ 80,000	237,000	— 79,000
12 mos.	to June	13,223,000	+ 1,855,000	3,476,000	+ 978,000
Cuba Railroad	July	383,000	+ 58,000	162,000	— 28,000
12 mos.	to June	5,165,000	+ 633,000	2,471,000	+ 256,000
Delaware & Hudson	June	1,985,000	+ 11,000	667,000	— 34,000
6 mos.	to June	10,633,000	+ 1,009,000	2,810,000	+ 1,174,000
Denver & Rio Grande	July	2,004,000	+ 96,000	437,000	+ 54,000
12 mos.	to June	23,167,000	+ 1,286,000	6,138,000	+ 322,000
Erie Railroad	July	5,420,000	+ 118,000	1,258,000	+ 188,000
11 mos.	to May	55,671,000	+ 1,619,000	11,228,000	+ 3,447,000
Grand Trunk System	July	\$970,700	+ 265,350	\$218,850	— \$1,800
7 mos.	to July	6,100,100	+ 529,800	1,220,100	— 84,950
Great Northern	June	\$6,111,000	+ \$687,000	\$1,473,000	— \$14,000
12 mos.	to June	75,441,000	+ 3,214,000	24,290,000	+ 4,380,000
Hocking Valley	June	477,000	+ 245,000	142,000	— 125,000
12 mos.	to June	7,021,000	+ 796,000	1,766,000	— 690,000
Illinois Central	July	5,386,000	+ 38,000	706,000	— 62,000
12 mos.	to June	66,373,000	+ 1,587,000	11,739,000	+ 439,000
Interoceanic of Mexico	June	349,000	+ 504,000	5,000	— 315,000
12 mos.	to June	9,146,000	+ 24,000	2,734,000	— 621,000
Kansas City Southern	July	945,000	+ 133,000	331,000	+ 90,000
12 mos.	to June	10,993,000	+ 287,000	3,156,000	+ 21,000
Lake Shore & Mich. So.	July	4,592,000	+ 530,000	1,184,000	— 288,000
7 mos.	to July	29,573,000	+ 5,191,000	5,827,000	+ 3,528,000
Lehigh Valley	July	3,582,000	+ 114,000	918,000	— 91,000
12 mos.	to June	39,783,000	+ 3,259,000	10,345,000	+ 1,864,000
Louisville & Nashville	July	4,804,000	+ 141,000	1,071,000	+ 127,000
12 mos.	to June	69,633,000	+ 217,000	12,345,000	— 656,000
Mexican Railway	July	785,200	+ 118,800	284,800	— 178,700
6 mos.	to June	4,554,000	+ 270,300	1,960,500	— 592,100
Michigan Central	July	2,838,000	+ 186,000	671,000	+ 124,000
7 mos.	to July	19,101,000	+ 1,932,000	3,327,000	+ 1,287,000
Min. St. P. (Soo) System	July	2,486,000	+ 208,000	729,000	— 28,000
12 mos.	to June	29,306,000	+ 2,999,000	8,172,000	+ 3,063,000
Miss. Kansas & Texas	July	2,694,000	+ 38,000	630,000	+ 14,000
12 mos.	to June	31,622,000	+ 825,000	8,557,000	+ 764,000
Missouri Pacific	July	—	+ 100,000	—	+ 136,000
12 mos.	to June	60,793,000	+ 2,362,000	14,085,000	— 965,000
National of Mexico	June	1,568,000	+ 1,528,000	73,000	— 197,000
12 mos.	to June	34,069,000	+ 23,300,000	2,287,000	+ 188,000
New York Central	July	8,073,000	+ 859,000	1,819,000	+ 243,000
7 mos.	to July	53,992,000	+ 4,57,000	8,723,000	+ 1,435,000
N. Y. N. Haven & Hart.	July	—	+ 88,000	—	— 19,000
12 mos.	to June	66,703,000	+ 2,556,000	14,620,000	+ 3,597,000
N. Y. Ontario & Western	July	993,000	+ 15,000	362,000	+ 4,000
12 mos.	to June	9,041,000	+ 413,000	2,109,000	— 614,000
Norfolk & Western	July	3,744,000	+ 115,000	1,088,000	— 73,000
12 mos.	to June	44,470,000	+ 730,000	14,535,000	— 639,000
Northern Central	June	1,037,000	+ 70,000	106,000	+ 17,000
6 mos.	to June	6,061,000	+ 439,000	170,000	— 107,000
Northern Pacific	July	7,592,000	+ 481,000	1,646,000	— 136,000
12 mos.	to June	65,845,000	+ 4,131,000	27,073,000	— 80,000
Pennsylvania System	July	21,812,000	+ 1,611,000	5,336,000	— 301,000
E. of Pittsburgh	7 mos.	138,427,000	+ 9,857,000	24,101,000	+ 3,161,000
W. of Pittsburgh	July	10,246,000	+ 1,474,000	2,558,000	— 88,000
7 mos.	to July	64,161,000	+ 8,888,000	10,433,000	+ 441,000
Pitts. O. C. & St. Louis	July	3,476,000	+ 342,000	878,000	+ 200,000
7 mos.	to July	22,510,000	+ 2,464,000	3,851,000	+ 1,117,000
Phila. & Reading Ry.	July	3,822,000	+ 390,000	1,128,000	— 213,000
12 mos.	to June	48,485,000	+ 3,067,000	15,164,000	+ 4,679,000
Phila. & R. Coal & Iron	July	1,823,000	+ 239,000	91,000	— 2,000
11 mos.	to May	30,718,000	+ 7,771,000	783,000	+ 3,085,000
Rock Island Lines	June	6,157,000	+ 2,199,000	1,622,000	— 227,000
12 mos.	to June	68,208,000	+ 5,136,000	13,719,000	— 1,965,000
St. L. & San Francisco	July	—	+ 100,000	—	— 243,000
12 mos.	to June	42,459,000	+ 943,000	9,970,000	+ 3,406,000
Seaboard Air Line	July	1,833,000	+ 15,000	434,000	+ 7,000
12 mos.	to June	25,292,000	+ 763,000	6,965,000	+ 146,000
Southern	July	5,705,000	+ 292,000	1,170,000	— 55,000
12 mos.	to June	69,534,000	+ 1,004,000	16,311,000	+ 1,545,000
Southern Pacific	July	11,633,000	+ 128,000	3,282,000	— 135,000
12 mos.	to June	138,520,000	+ 4,254,000	37,695,000	+ 6,812,000
Union Pacific	July	7,559,000	+ 263,000	2,676,000	— 21,000
12 mos.	to June	92,115,000	+ 1,523,000	31,628,000	+ 3,316,000
Wabash	July	2,650,000	+ 88,000	652,000	+ 34,000
12 mos.	to June	30,023,000	+ 1,745,000	4,519,000	+ 1,596,000
Western Pacific	July	6,112,000	+ 62,000	1,328,000	— 70,000
12 mos.	to June	6,099,000	+ 73,000	697,000	— 708,000



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The Statist.

LONDON, SATURDAY, SEPTEMBER 12, 1914.

RESTORING CREDIT.

At the end of last week the Government issued a notice which we trust will go far to restore credit and impart activity to trade. It is a further step in the work of putting an end to the crisis caused by the outbreak of war, and, like the previous measures adopted, it is well calculated to effect the object in view. The Government, it will be recollected, had already proclaimed a moratorium, which a fortnight ago it prolonged for another month. It had, in addition, authorised the Bank of England to discount pre-moratorium bills, and to provide it with the means of doing so it had issued Government notes, the notes being legal tender. The public will appreciate the importance of the latter fact—namely, that the Bank of England has not itself increased its note issue for the purpose of discounting upon a great scale, and, therefore, has not in such manner augmented its liabilities. It is the Government which has issued the new notes, and it is the Government which is liable for them. Bankers in general, at all events, will not fail to realise the importance of this characteristic, and will understand that as the measure was adopted partly in the interests of the bankers, as well as of the public, it behoves them to do their duty fully and on every occasion. The Bank of England, readers will bear in mind, has performed the task allotted to it with great success. At first, we believe we are justified in saying that in a single day the Bank discounted bills to the value of 9 millions sterling. Gradually the amount offered daily fell to about 5 millions. More recently still

the amount has decreased to less than half a million. All this suggests, firstly, that so large a proportion of the pre-moratorium bills have now been discounted by the Bank that the holders of such are no longer eager to apply to the central institution; and, secondly, that the supply of working capital is now so large in consequence of the steps taken that there is not the need for hurrying the Bank in the matter of discounting. We have had pleasure in stating more than once already that

Help to Acceptors.

the well-managed banks have, upon the whole, performed their functions well. At first alarm was so general that even they perhaps acted with less foresight than might have been expected, but they very quickly recognised the duty they owed to the country, and they have given that accommodation to trade which was required. But we are sorry to say that the less well-managed banks did not act up to expectation. On the contrary they have often seemed ignorant not only of their own interests, but of the interests of traders generally. We trust that they will awaken to a sense of their real duties, and to a recognition of the fact that if they do not they will be brought to account for their neglect.

After a while it became manifest that merely enabling the holders of pre-moratorium bills to get those bills discounted was not sufficient. Those who had been in the habit of accepting were so alarmed by the great war which had suddenly been sprung upon them that they were afraid to perform their functions properly. In some cases they acted with so little regard to the interests either of themselves or of their customers that they made it extremely difficult for the latter to carry on their business. In other cases they refused the most reasonable applications made to them. It became clear then that some means must be found by which the acceptance of bills would be continued, and the week now closing seems to prove that the measure taken on Friday of last week will be effective. It will be recollected that by it the Bank of England is supplied with funds which it will furnish to acceptors to pay all approved pre-moratorium bills at maturity. This step obviously releases the drawers and endorsers of such bills from their liabilities, except such as they entered into with the acceptors for payment or for cover. The acceptors will, however, be under obligation to collect from their clients all the funds due to them as soon as possible, and to apply those funds to repayment of the advances made by the Bank of England. This is clearly a very proper arrangement. Over and above all this, the Bank of England undertakes not to claim repayment of any amounts not recovered by the acceptors from their clients for a period of one year after the close of the war. Until the end of that period the Bank of England's claim will rank after claims in respect of post-moratorium transactions. All this is so evidently in favour of acceptors that they must indeed be blind to the advantages given to them if they do not exert themselves to the utmost to deserve the assistance given them by the Government. In the last place, to ensure the steady movement of trade the Joint Stock banks have arranged, with the co-operation of the Bank of England and the Government, to advance to clients the amounts necessary to pay their acceptances at maturity where the funds have not been provided in due time by the clients of the acceptors. Naturally, and almost as a matter of course, the acceptors will be required to satisfy the Joint Stock banks, or the Bank of England, as to the nature of their transactions, and as to the reasons why the money is not forthcoming from clients. It will be observed that the Government in all this is using the Bank of England first, and the Joint Stock banks secondly, as its agents to promote, encourage, and expand trade. The Government is making itself liable for immense sums for the benefit of the great body of the people and only indirectly for the benefit

of the banks. All the banks, therefore, are bound to co-operate with the Government to the very utmost of their power, and if they do not, unquestionably they will be called to account when the time comes. Meanwhile the real exigency is that both production and consumption shall go on on the ordinary scale, and that full employment shall be given to all persons who stand in need of it.

Men of business, as a matter of course, understand the meaning of all this, but amongst the readers of THE STATIST there are many who do not comprehend the mechanism of trade. For their benefit it is necessary that we should enter into some explanation, so that they may fully realise what important and significant work the Government is doing. It was a saying of the great Napoleon that an army moves upon its belly. Our own present Government understands that the saying is true not only of an army but of a nation, and that if we are to carry this great war through to the bitter end we must make sure that there shall be employment for all persons willing to work but unable to find work. Therefore it set itself in the first place to use its credit for the purpose of relieving the holders of pre-moratorium bills who otherwise could not hope to get payment for those bills until the war came to an end. That was the first work to be done, and it was effected very rapidly and satisfactorily through the Bank of England. If we were concerned only with the home or internal trade that arrangement would have been sufficient. It is hardly necessary, however, to remind any reader of THE STATIST that the trade of the United Kingdom is a world-wide trade, that there is hardly any area upon earth with which this country does not to some extent and sometimes do commercial business. But it is in the nature of things impossible that this country could pay gold for all the immense imports it needs both to carry on its great manufactures, and to feed, house and clothe its people. Similarly it is in the nature of

Relieving Acceptors.

things impossible that it should insist upon being paid in gold for everything it exports to the rest of the world. As a matter of fact, our imports are paid for mainly by our exports, and by the interest and dividends arising out of the immense investments we have made in so many countries beyond the seas. Our commissions, freights, and so on, likewise contribute to some extent to pay for our imports. As a broad general rule the amount of gold that we receive is not usually payment for our exports. Far the greater part of it comes from countries where gold is raised from the mines, and of course that gold does pay for commodities exported; but the greater part of the world does not send us gold, except on rare occasions, when for any reason credit is affected, and the Bank of England thinks it wise to attract the metal. Broadly speaking, then, our imports are paid for by our exports, and the instrumentality by which we effect the payment is bills of exchange. Those who export from this country draw bills upon the countries exported to. Similarly those who send goods to us—that is, those who send us what we call our imports—draw bills upon this country, and by means of the banks the one set of bills is used as a set-off to the other. Unless, then, the business of acceptance can be kept going steadily and normally, trade is thrown completely out of gear. As it happens, bills accepted by German or Austrian subjects, of whatever occupation or class, cannot now be recovered by persons resident in the United Kingdom because of the war. Therefore all the German and Austrian bills, when war broke out, were practically irrecoverable for the time, and it was to get over the great difficulty so created that the Government first issued notes and employed the Bank of England to discount those pre-moratorium bills. Unfortunately the difficulties into which acceptors of all kinds here at home were plunged in consequence of the great crisis in which

we find ourselves so discouraged them that they became unwilling to go on accepting. To a large extent this was natural, and even excusable, but it has been carried entirely too far. In some cases, indeed, it has been carried so far as to bring one to believe that the houses and the banks do not always understand either their own interests or the interests of the public. However, the difficulty was so great that the Government felt it necessary to intervene once more, and it has now, by means of the announcement referred to above, left absolutely no excuse for anyone whose business it is to accept to refrain from doing so. It will be seen that every such person will be furnished with the means, by the Bank of England, of paying for acceptances when they fall due, and that the Bank of England will not press for repayment during the war, or for a year afterwards. Moreover, it will be observed that the joint stock banks will, in co-operation with the Government and the Bank of England, lend freely to acceptors to meet acceptances when they fall due, if for good reasons the money has not been furnished by their clients. There is thus absolutely no pretext left for neglecting to perform their business in the fullest and the freest manner, and we may reasonably trust, therefore, that the trade of the country will very soon resume normal proportions. The Government made it known at the end of last week that it is also in negotiation with the Government of the United States with a view to restoring exchange between the United States and this country. This is most satisfactory, and we do not doubt will be carried through without avoidable delay. We import so largely from the United States, both in the matter of food and of raw materials, that it is beyond everything and before everything necessary that the trade between the two countries should be carried on as freely and as smoothly as is possible in existing circumstances.

There is much else no doubt that requires to be done before the alarm created by the outbreak of war is entirely dissipated, and before traders become accustomed to the new order of things. We refer elsewhere to some of these. The Chancellor of the Exchequer has proved so fully and so clearly that he is in close communication with all the principal trades of the country, is seeking advice and information where best they are to be found, and is ready to do whatever requires to be done, that we may rest confident that he will not delay a moment longer than is necessary to make sure that the measures to be adopted are fully considered. We would, however, before closing, call the attention of our readers to the advance that has already been made, and to the reasonable probability that before long trade will become normal. If it does it ought likewise to become active and large. It is true, of course, that Germany is a very great commercial country, and that she, by plunging recklessly into unprovoked aggression, has cut herself off from communication with the countries beyond the sea. So likewise has Austria-Hungary. Therefore the trade of these two great empires is for the time being paralysed, and will continue to be so as long as the trouble lasts, always assuming that we maintain

Work to be Done.

control of the sea. Not a few, therefore, jump to the conclusion that the belligerents who are free to use the sea and neutral countries cannot do as large a trade as they were doing before the struggle began. We are not quite sure that this is a true view. Germany afforded a great market, and by so doing helped to create a large production in foreign countries. That large production cannot be allowed to perish. The United States, to take one great example, is not likely to permit any part of its production to lie waste simply because Germany has, unprovoked and without justification, made war upon her neighbours. And what the United States is not likely to do will, we may be sure, not be permitted by other countries either. Therefore we take it for granted that not only will this

country, but also all the leading neutral countries, do their utmost to take the place which Germany has evacuated. If that is so, does it follow that trade will materially decline? There will be some decline, of course, but the world, to take a single example, will want as much sugar in the current year as it did in the past year, and it will not deny itself the gratification simply because Germany was a great producer of the article, and now by her own wilfulness has made it impossible for her to continue the trade she had built up with so much care and skill. An opportunity is afforded to our own West Indian islands to recover some of the business at all events which they lost to Germany. If British capitalists were so willing to invest in so many non-British territories capital which was likely to prove profitable, is it not probable that they will seize the present opportunity in the West Indies to revive an industry which has suffered because of British apathy in the past, and thereby benefit a very important portion of the Empire—a portion which in the immediate future is certain to derive great advantage from the opening of the Panama Canal? What is true of the West Indies is equally true of India. India was once a great producer of sugar. For some time past her production has been falling off, and she has become a large importer, especially from the Dutch East Indies. Is it entirely impossible for English capitalists to step in and to secure for India a portion at least of the business Germany has so wilfully thrown away? Or if private capitalists will not do the work, is it beyond the capacity of the British Government in India to build up once more a great sugar industry in that country? It is to be remembered that it was the great Napoleon who encouraged the beet industry in France during his struggle against this country. The German Government, seeing how far Napoleon had succeeded, bettered his example and made Germany a great sugar producer. Are Englishmen so inferior to Frenchmen and Germans that they cannot revive the sugar industry in India at a time when the vast German and Austrian supply is suddenly cut off? We might point to many other directions in which a great trade could be built up with a little talent, a little capital, and a determined effort, but we have said enough, we hope, to show that there is absolutely no reason why trade should not be stimulated in the countries outside of the two Central European Empires to an extent that would have seemed incredible while peace lasted.

THE MILITARY OUTLOOK.

DURING the week there has been a change favourable to the Allies brought about by the necessity felt by the German Government to withdraw a considerable portion of their forces operating in France to meet the invading Russians. A Russian authority stated some little time ago that the German armies engaged in Belgium and France exceeded the united forces of France and England by seven army corps. If the statement is even approximately correct it makes intelligible the whole course of events since the war began. So great an excess of strength enabled the Germans, by sheer weight of numbers, to force back the combined British and French troops. The latter never were broken. They continued all through to offer a magnificent resistance, but they were not able to withstand so vastly superior a host; therefore they withdrew gradually, fighting as they retreated, to the near neighbourhood of Paris. That they fought splendidly is brought out clearly by Sir J. French's despatch, and that no little part of the credit is due to our own troops seems also to be unquestionable. Apparently the Germans now find it necessary to send several army corps to defend their own country against the Russians, for it is hardly credible that reports repeated day after day to the effect that large numbers of Germans have been seen hurrying

from France and Belgium into Germany can have been pure inventions. The result seems to be that the two armies that are now facing one another in the neighbourhood of Paris are nearly equal numerically. In consequence the French and British troops have assumed the offensive, and have crossed the Marne, thus recovering a considerable part of the territory lately yielded by them, and there is at least a hope that further successes are in view. The French Headquarters report that the German attempt to turn their flank has failed. There is at least a probability now that the Allies may be able to turn one flank of the Germans. It would seem that on the left, where the hardest fighting has taken place all through, the Germans are now giving way, that our troops are advancing, and that they are in excellent spirits. It would, of course, be foolish to indulge in hopes that may never be realised. Still it appears that the Germans are no longer able to maintain the offensive, that our own troops and the French have assumed it, and consequently we seem justified in taking a much more favourable view than has been possible to entertain hitherto. Meanwhile the Russians are advancing upon Berlin. According to the Russian accounts the defeat which their arms sustained in East Prussia was not an important affair; the greater portion of their army being employed in crushing the Austrians. The Russians evidently are convinced that the Austrian Army will not be able to offer them a very formidable resistance, and consequently they are pressing on. If they are right in their view, then Germany alone will have to undertake her own defence, and it is difficult to believe that she can successfully continue to wage two great wars, against Russia in one direction and France and England in the other. The Press Bureau yesterday afternoon announced that the enemy was retiring very rapidly east of Soissons in much disorder, and it is added that the capture of both prisoners and cannon on the previous day had been much larger than at first reported.

REVIVING TRADE.

WE call attention elsewhere to the excellent work which the Government has done in restoring credit and establishing order in the Money market. There remains, however, another task of no less importance. It is to enable trade to be carried on to the fullest extent of which the country is capable. We are involved in the greatest war in which we have ever been engaged. It will cost very large sums, and, as the statement of Mr. Asquith on Thursday clearly proves, it will also cause an enormous drain upon the manhood of the country. It is essential, therefore, that the whole working population should be given full employment, and that our resources should be so employed as to yield the greatest possible profit. As we point out elsewhere, the mere fact that the two Central European empires are practically cut off from the countries beyond sea, and therefore rendered incapable to carry on a great trade, does not in the least imply that while this state of things continues there must be a great decrease in the trade of the whole globe. On the contrary, every nation, and particularly the belligerent nations, which have the power to trade, have also the strongest inducements to employ their resources fruitfully. The neutral nations which cannot continue their trade with Germany and Austria have the strongest interest to increase their trade with other countries. Similarly, the belligerent States allied with ourselves have the strongest motives for also doing as large and as profitable a business as possible. In addition to all this, it is to be recollected that fortunately the crops are good this year. In the United States and Canada, for example, they are exceptionally good. Therefore, foresight, timely organisation, and courage will ensure a very large trade if only the proper steps are taken without delay. War was sprung

so suddenly upon us all that we were taken quite unprepared. Panic ensued, and, as everybody knows, immense amounts of capital were practically locked up because it was impossible to get in immediately debts due. What is now requisite is that some means should be adopted to enable traders to get the capital which for the moment is out of their reach. If proper provision to that end is made, the profits of the ensuing trade will enable repayments to be made quickly. The real loss will not be incurred by giving accommodation to traders. It will rather be caused by refusing accommodation. The worst consequences of all would be such a falling off in trade as would lead to widespread unemployment and to dear food. If we have the courage to look facts in the face we shall see that as long as our fleet retains command of the sea trade can be carried on safely and profitably. Of course, there may be some losses, but they will be trifling comparatively. Therefore employment will be afforded to all persons willing to work, and the revenue of the country, of the population, and the Government will be kept up. It is hardly necessary to labour the argument, yet there are well-informed and patriotic persons who hold that the Government is not justified in incurring the immense liabilities which it has taken upon itself, and therefore, that it would be unwise to increase its liabilities. With the greatest possible respect for the gentlemen who hold this view we are quite unable to agree with them. To us it seems manifest that there is no real danger. If trade becomes active and is properly conducted the profits will be large, and therefore whatever liabilities may be undertaken by the State will be fully covered. Whereas if merchants whose capital is locked up in such a way because of the war that they cannot get payment, they must cease for the time being at all events to carry on their business, and in consequence there must be great loss and widespread unemployment. It is such loss and unemployment that we dread. We think that every patriotic man ought to do his very utmost to prevent these, and that the Government in particular is bound to set the example to us all.

WAR TO THE BITTER END.

On Saturday last the Press Bureau issued a statement from the Foreign Office which has made an immense sensation everywhere. It is so important that we quote it in full:—

"The British, French, and Russian Governments mutually engage not to conclude peace separately during the present war.

"The three Governments agree that, when terms of peace come to be discussed, no one of the Allies will demand conditions of peace without the previous agreement of each of the other Allies.

"In faith whereof the undersigned have signed this Declaration, and have affixed thereto their seals."

The meaning of this document is so palpable that it needs no explanation. It pledges the three Governments to continue the war until each one of the three is convinced that the objects aimed at by all have been attained, and that each one of the three will make no claim which has not been approved by the other two. Clearly, then, the war is to be fought out to the bitter end. No serious person who has studied everything leading up to and since performed by those who are acting in resistance to German and Austro-German aggression can have doubted that all three mean to deprive Germany once and for all of the power to keep the continent of Europe perpetually in apprehension of war. Until that great aim is attained Europe cannot hope to enjoy any long period of peace. If Germany had not become aggressive her restlessness might have been tolerated for an uncertain period, but now that she has actually drawn the sword an end must once and for all be put to her disturbance of the peace. We hope and believe that there will

be no desire on the part of any of those who are now fighting for the independence and freedom of the weaker nations to wreak vengeance upon Germany. It is sometimes said that an aggressive State cannot be punished except through its inhabitants, but that is a doctrine which may easily lead to horrors similar to the destruction of Louvain, which has just been perpetrated before the eyes of a shocked world. What we trust will be done is that Prussia will be compelled to make restitution to those whom she has wronged, and that no attempt will be made to weaken her unduly. We take it for granted that the Allies will insist that Belgium shall, in the first place, be compensated, as far as compensation is possible in such a case, for the atrocities that have been perpetrated at her expense. Louvain, unhappily, cannot be restored, but full compensation in money can be exacted, and Belgium ought to be enabled to rebuild her destroyed and injured towns without drawing upon her own greatly reduced resources. It may be objected that restitution of this kind can be effected only in the form of a war indemnity. That is perfectly true. War in all its shapes can be carried on only through the peoples of the countries who wage it, and, therefore, if Germany is to pay for the injury she has inflicted upon Belgium, it is, of course, the German people who must find the funds for doing so; but it is one thing to make restitution as far as is humanly possible; it is another thing to punish in a spirit of revenge. A second act of restitution that is clearly necessary as things stand is the restoration of Alsace-Lorraine to France. The Zabern incident alone proved to all the world that, after 43 years, Alsace-Lorraine is still treated as a conquered country. If any further evidence is required, it is furnished by the manner in which the French troops were welcomed by the people of the annexed provinces. Furthermore, France will clearly be justified in demanding back at least the five milliards she was compelled to pay at the end of the last great war. In addition to this, we all know from the Proclamation of the Russian Generalissimo that Russia is intent upon taking the Polish provinces from both Prussia and Austria-Hungary, and we presume that no person outside the two Central European Empires will dispute the justice of her so doing if the Russian Government fulfils its promise that those two provinces are to be united to Russian Poland, and the people of all three are to be given the free use of their language and their religion. Lastly, it is to be taken for granted that the Kiel Canal will be neutralised, and that the Danish provinces, or at all events such parts of them as are Danish, will be restored to Denmark. The present war originated in a monstrous demand made by Austria-Hungary upon Serbia. Therefore it is in a sense a consequence of the recent Balkan wars, and it would be a safeguard for a long period of European peace, if the Slav provinces of Austria-Hungary were given independence, and so afforded an opportunity to mould their own fortunes in their own way. A number of free democratic independent States between Central Europe and Russia would clearly be favourable to peace.

INDIA'S OFFER.

THE statements made in both Houses of Parliament on Wednesday regarding the wonderful offers made by the ruling Princes and people of India to this country have stirred the British people to the very core. But it is not to pay belated compliments to our fellow-subjects in India that we refer to the matter here. It is rather to emphasise the immeasurable influence it is likely to exercise upon political thought throughout the world. Dreadful as war is, and destructive as is its carnage, yet it does afford some compensations, and amongst those that are likely to flow from the great struggle in which we have been involved by Prussian greed and Prussian aggressiveness, we may safely reckon the effect for good that

the action of India will have upon thoughtful men in every portion of the earth. Since the war began we have seen the Czar, through his Generalissimo, appealing to the people of Prussian and Austrian Poland for help, and promising, in return for the assistance expected, to reconstruct the kingdom of Poland, and allow the free exercise of their language and their religion to its people. At the time we noted how great was the impression made even in Russian Imperial circles by British treatment of the Boers, and the grant of Home Rule to Ireland. Now we see the ruling Princes and the people of India coming forward spontaneously to offer us help without limitation in the formidable conflict in which we are involved. Nobody is more conscious of the shortcomings of our rule in India than we of this journal. Nevertheless we are convinced that the Government of India has laboured honestly, sincerely, unswervingly, and in the face of many difficulties, to do what in them lay for the benefit of the people whose destinies they rule. In reward for this toil and labour the Indian people recognise that, whatever mistakes we may have made, and however we may have blundered in particular instances, at least we earnestly wished to open up to them knowledge, privileges and rights which they had never enjoyed in the past. In consequence, when the Empire is attacked they feel that their own interests are likewise jeopardised, and, as free men conscious of their powers and their rights, they come forward to champion the privileges they enjoy as subjects of the greatest Empire the world has ever seen. No thinking person can seriously doubt the powerful impression that such a spectacle will make wherever it becomes known. It will have a deep effect, not merely in our own country and amongst our allies and our friends. It will tell likewise amongst our enemies, and it will afford the most indubitable evidence that when we allege that we are fighting for the independence of small and weak States, for freedom and for democracy, we are not playing the hypocrite. What we have accomplished in India is sufficient proof that what we profess we at all events try to carry out. It is to be hoped, then, that the spectacle presented by the British Empire, scattered as it is over the earth, and peopled by populations so diverse in race and in creed and civilisation, will powerfully stimulate the spread of good government and the growth of democracy. The lesson for ourselves in particular is to labour even more incessantly and more energetically for the benefit of the Indian people. We do not mean that we ought to try to reward. What we do mean is that we ought to be encouraged by the testimony thus afforded that our efforts are understood and appreciated. Therefore we ought to labour still more earnestly to raise the condition of the people of India, hoping that she will be able to take a full part in Western civilisation and to help in forwarding it. At the present moment there is one particular work we hope will be undertaken by British capitalists and by the Administration of India. It is the endeavour to secure for India a considerable part of the trade which Germany is about to lose. Elsewhere we suggest that the revival of the Indian sugar trade offers an inviting task. We sincerely hope it will be undertaken.

SUGAR—I.

THE occurrence of war has directed public attention to the outlook of the sugar supply. In considering the world's production of sugar as a whole it is desirable to have the quantities respectively of cane sugar and of beet.

The sum up of the world's approximate output of sugar—beet and cane—is given in the following table.

The presentation of these figures is also given in the accompanying diagram:—

Sugar: World's Output (Irrespective of India).

		BEET Tons	CANE Tons	TOTAL Tons
1871	...	1,020,000	1,599,000	2,619,000
1872	...	1,210,000	1,793,000	3,003,000
1873	...	1,288,000	1,840,000	3,128,000
1874	...	1,219,000	1,712,000	2,931,000
1875	...	1,343,000	1,590,000	2,933,000
1876	...	1,045,000	1,673,000	2,718,000
1877	...	1,419,000	1,825,000	3,244,000
1878	...	1,571,000	2,010,000	3,581,000
1879	...	1,402,000	1,852,000	3,244,000
1880	...	1,758,000	1,911,000	3,669,000
1881	...	1,782,000	2,060,000	3,842,000
1882	...	2,147,000	2,107,000	4,254,000
1883	...	2,381,000	2,321,000	4,694,000
1884	...	2,545,000	2,351,000	4,896,000
1885	...	2,223,000	2,339,000	4,562,000
1886	...	2,733,000	2,345,000	5,078,000
1887	...	2,451,000	2,465,000	4,916,000
1888	...	2,725,000	2,283,000	4,988,000
1889	...	3,633,000	2,069,000	5,702,000
1890	...	3,710,000	2,555,000	6,265,000
1891	...	3,501,000	2,852,000	6,353,000
1892	...	3,428,000	3,045,000	6,473,000
1893	...	3,890,000	3,490,000	7,380,000
1894	...	4,792,000	3,530,000	8,322,000
1895	...	4,315,000	*2,830,000	7,155,000
1896	...	4,954,000	*2,864,000	8,818,000
1897	...	4,872,000	2,898,000	7,770,000
1898	...	4,977,000	2,995,000	7,973,000
1899	...	5,510,000	2,904,000	8,414,000
1900	...	6,124,000	3,487,000	9,611,000
1901	...	6,971,000	4,293,000	11,264,000
1902	...	5,800,000	4,433,000	10,236,000
1903	...	5,748,000	4,234,000	9,980,000
1904	...	4,878,000	4,778,000	9,654,000
1905	...	7,173,000	4,910,000	12,083,000
1906	...	7,108,000	5,241,000	12,349,000
1907	...	8,995,000	4,750,000	11,745,000
1908	...	8,928,000	5,781,000	12,709,000
1909	...	8,589,000	6,117,000	12,706,000
1910†	...	8,572,000	6,015,000	14,587,000
1911	...	6,801,000	6,600,000	13,401,000
1912	...	8,341,000	6,632,000	14,973,000
1913	...	8,255,000	7,393,000	15,653,000

* Cuba war.

† May to October, drought.

An examination of the modern history of sugar-trade statistics brings forward some features which are particularly interesting. In the times of the present generation's grandfathers there was no such thing known as beet sugar. The countries which first introduced the system of making beet sugar were France and Germany, and about 20 years later Austria, Russia, Belgium, and Holland began to figure as producers. In 1840 only about 5 per cent. of the world's sugar supply was from beet. In 1855 the proportion was about 13 per cent., in 1870 it reached 34 per cent., and for 1899 the beet-sugar production was 65 per cent. of the total world's supply, exclusive of India. The rapidity of the extent of growth of output of these six European nations, five of whom are now at war, is set out in the following table:—

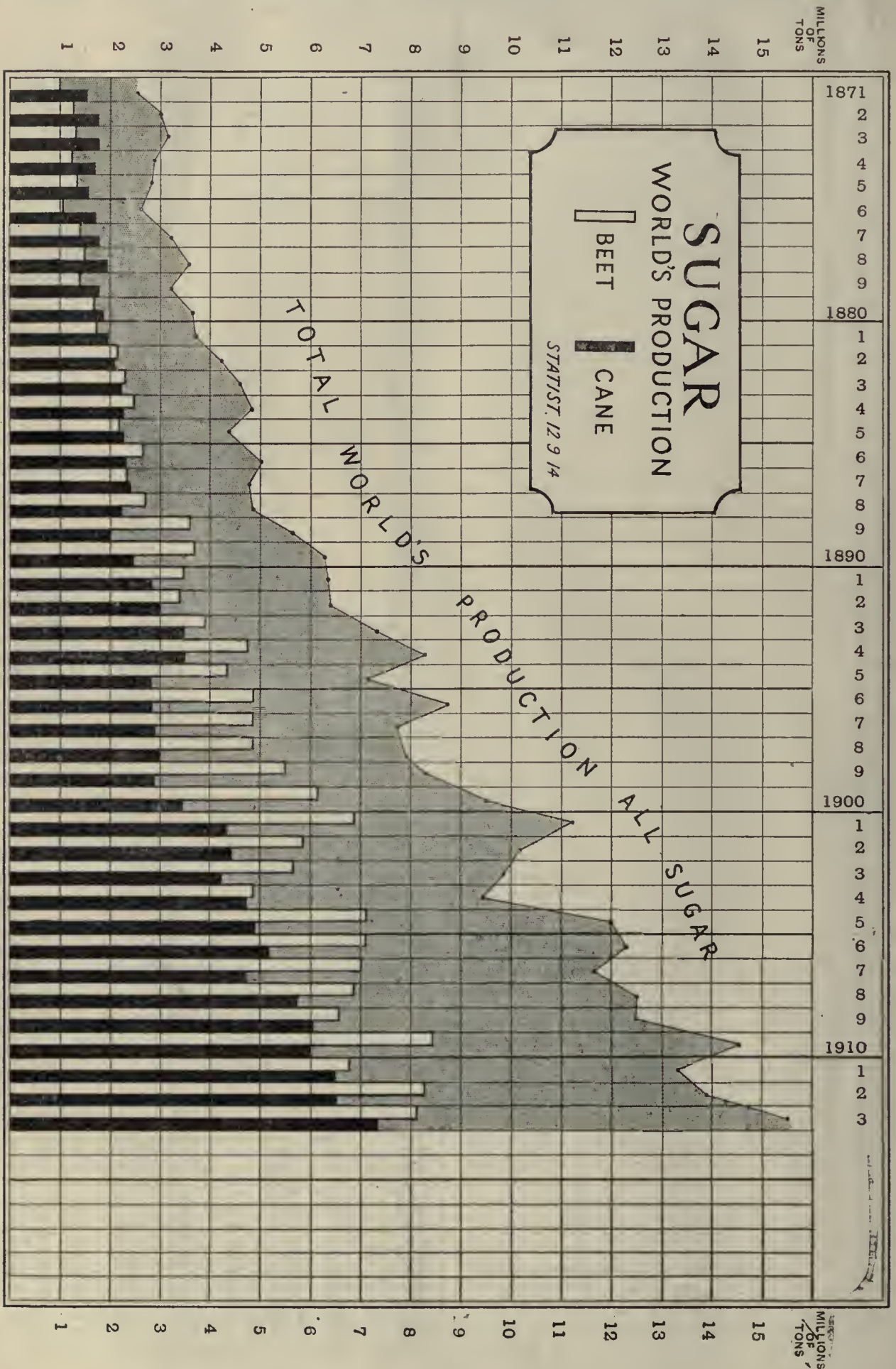
Production of Beet Sugar (in thousands of tons, 000's omitted).

	France Tons	Germany Tons	Austria Tons	Russia Tons	Belgium Tons	Holland Tons	Six Coun- tries Tons
1840	27	14	—	—	—	—	41
1850	75	53	—	—	—	—	128
1860	101	126	80	22	20	1	350
1870	289	186	180	140	60	18	871
1875	462	358	280	210	105	31	1,446
1880	331	556	510	277	89	28	1,791
1885	285	808	370	525	63	25	2,076
1890	659	1,284	778	554	205	72	3,552
1895	660	1,637	781	717	220	103	4,118
1900	805	1,875	1,120	900	300	180	5,180
1910*	725	2,608	1,538	214	285	221	5,589
1912	979	2,732	1,920	1,384	300	317	7,632
1913	800	2,738	1,710	1,750	230	230	7,458

* The severe drought on the Continent in 1911 severely affected outputs in respect of periods 1910-11 and 1911-12.

The United States, Sweden, and Denmark also produce beet sugar, the United States for 1913-14 season about 655,000 tons, but other countries a negligible quantity.

It will be noted that Germany now figures as the



largest producer. The next largest is Russia, closely followed by Austria. By about 1875 the German production of home beet sugar had attained a stage that enabled the country itself to supply its wants. The

era of importation by Germany of outside supply ceased, and that of exports commenced. For the financial year 1875-76 Germany exported 56,000 tons. For the year 1913 the total exports of German beet

sugar were 1,110,000 metric tons, and the United Kingdom of such quantity took about 940,000 tons.

In remarks we purpose giving next week we will deal further with some points in connection with the deluge of German and Austrian exports of sugar to the United Kingdom in 1913.

Of the United Kingdom's sugar requirements in 1875, about 11 per cent. represented beet sugar, as against about 87 per cent. in 1913. So large a reliance on beet sugar for use in this country is a position that calls for attention.

We have referred above to the quantities of European beet sugar that were imported for consumption in the United Kingdom in 1913. This only forms part of the requirements of the United Kingdom. The total imports of all descriptions of sugar, beet and cane, refined, and unrefined, are given in the following schedule:—

Sugar Imports of the United Kingdom.

(Molasses and Glucose Not Included.)

	REFINED Beet and Cane Tons	Beet Tons	UNREFINED Cane, &c. Tons	Total Tons	GRAND TOTAL ALL SUGAR Tons
1890 ...	498,850	500,200	285,650	785,850	1,284,700
1895 ...	707,250	457,700	392,800	850,500	1,557,760
1900 ...	982,400	511,950	149,750	661,700	1,624,100
1901 ...	1,062,850	500,450	168,900	669,350	1,732,200
1902 ...	918,250	472,550	188,500	661,050	1,579,300
1903 ...	929,450	441,850	190,750	632,400	1,581,850
1904 ...	880,250	444,450	289,750	734,200	1,614,450
1905 ...	734,800	409,100	323,700	732,800	1,467,600
1906 ...	904,800	549,600	213,300	762,900	1,667,700
1907 ...	984,550	473,550	274,550	748,000	1,732,550
1908 ...	941,000	488,750	247,400	734,150	1,675,150
1909 ...	944,350	512,900	302,200	815,100	1,759,450
1910 ...	844,150	311,100	569,900	881,000	1,725,150
1911 ...	937,200	503,900	454,150	961,050	1,898,250
1912 ...	810,850	362,950	543,750	906,700	1,717,550
1913 ...	922,000	677,000	369,000	1,046,000	1,968,000

The action taken in 1903, under the initiative of the British Government, for the abolition, except as to Russia, of the Continental sugar bounty system was, when first formulated, fiercely fought against on behalf of British consumers. Users of sugar in this country had been able to buy Continental beet sugar, and, competitively, other sugars as well at artificially low prices. Indeed in some periods sugar was sold at a price which made it profitable to substitute sugar for artificial manures. The bounty system had benefited the beet-sugar industry, but had immensely handicapped the production of cane-growing countries. It has to be recognised that the establishment of a sound basis of prices as an outcome of the abolition of bounties stimulated the production of cane sugar and benefited the cane industry directly, as also those trades that were called on to furnish plant—machinery, crushers, pans, &c.—for dealing with cane-sugar production.

Now that a vast European war has been suddenly sprung upon the world we stand in a much more comfortable position from the policy consummated in 1903 than would have been the case had the production of cane sugar not been encouraged. The world's production of cane sugar since, in consequence, has been so stimulated that the figure of last year shows nearly as much cane sugar produced—more, indeed, if India be reckoned—than there was of beet, whereas in the late nineties there was not far from double the amount of beet turned out by the Continental nations against the cane sugar produced by all the other cane-growing countries exclusive of India. We leave till next week some statistics as to India.

For the United Kingdom home consumption we are under the necessity of importing close upon two million tons of sugar, and in 1913 about 940,000 tons of beet sugar were imported from Germany, 360,000 tons from Austria, and 190,000 tons from Holland. From Germany and Austria, for the remainder of this year at all events, we shall presumably receive no supplies whatever, and probably very little from

Holland. In tables below we give the aggregate quantities of our imports in recent years:—

Beet Sugar (Refined and Unrefined) Imported and Retained in U.K. (Excluding Molasses and Glucose).

From	1909 Tons	1910 Tons	1911 Tons	1912 Tons	1913 Tons
Germany ...	788,900	583,400	757,500	447,150	937,150
Austria ...	333,300	258,900	298,100	229,450	308,850
Holland ...	143,850	137,900	175,450	207,950	189,600
Belgium ...	60,400	60,200	81,250	93,450	52,100
France ...	88,700	61,050	6,050	19,000	26,550
Russia ...	30,800	2,200	111,150	95,000	2,950

The following figures afford evidence of how very considerably the action taken in 1903 influenced the growth of cane sugar of British colonies or possessions (exclusive of India, since that country consumes all its very large production, which we elsewhere deal with) and of foreign countries:—

CANE SUGAR	1900 Tons	1910 Tons	1913 Tons	Increase % over 1900
British grown ...	558,916	759,177	882,000	57.7
Foreign ...	4,343,000	5,775,000	6,616,000	50.5

It will be of interest to throw a little light upon some of the countries that are leading producers of cane sugar, and in the figures given below there is set out some detail as to the individual British and foreign sources of supplies of cane sugar:—

Sources of Cane-Sugar Production.

	1884 Tons	1891 Tons	1900-1 Tons	1910-11 Tons	1913-14 Tons
India* ...	—	—	—	2,215,000	2,262,000
Australian & Fiji	75,000	120,000	144,000	294,000	355,000
Mauritius ...	121,000	130,000	175,000	200,000	250,000
West Indies ...	200,000	164,000	185,000	112,000	101,000
Demerara ...	125,000	120,000	95,000	100,000	90,000
Natal ...	17,000	7,800	28,500	78,000	86,000

OTHER.

Cuba&PortoRico	660,000	867,000	718,000	1,900,000	2,875,000
Java ...	338,000	458,000	710,000	1,229,000	1,358,000
Central & South America ...	295,000	214,000	430,000	524,000	595,000
Hawaii ...	64,000	128,000	321,000	484,000	535,000
United States...	128,000	219,000	275,000	311,000	268,000
Philippines ...	123,000	168,000	52,000	170,000	195,000
Mexico ...	—	20,000	93,000	160,000	130,000
San Domingo ...	8,000	21,000	53,000	108,000	110,000
French Colonies	145,000	125,000	102,000	115,000	121,000
Mozambique ...	—	—	—	—	60,000
Danish W. Indies	10,000	10,000	19,000	28,000	7,500
Egypt and Spain	50,000	55,000	128,000	70,000	71,000

* Indian statistics are disregarded, as the production is all used in the country, which imports as well.

(To be continued.)

OUR INDEX-NUMBER OF PRICES.

(In Continuation of Sauerbeck's Figures.)

THE following are THE STATIST'S index-numbers of the prices of 45 commodities, the average of the 11 years 1867-77 being 100:—

Annual Numbers.

Period	Average
1878-87...	79
1890-99...	66
1904-13...	77
1880 ...	88
1895 ...	61
1897 ...	62
1898 ...	64
1899 ...	68
1900 ...	75
1901 ...	70
1902 ...	69
1903 ...	69
1904 ...	70
1905 ...	72
1906 ...	77
1907 ...	80
1908 ...	73
1909 ...	74
1910 ...	78
1911 ...	80
1912 ...	85
1913 ...	85

Monthly Numbers.

Month	Index-No
July 1896 ...	59.2
May 1907 ...	82.4
February 1909 ...	71.9
December 1911 ...	80.9
January 1912 ...	81.8
March 1913 ...	86.7
April 1913 ...	86.2
June 1913 ...	84.1
July 1913 ...	84.2
August 1913 ...	85.0
September 1913 ...	85.7
October 1913 ...	84.5
November 1913 ...	83.3
December 1913 ...	83.8
January 1914 ...	83.5
February 1914 ...	83.8
March 1914 ...	82.8
April 1914 ...	82.3
May 1914 ...	82.3
June 1914 ...	81.2
July 1914 ...	82.4
August 1914 ...	87.9

The index-number at the end of August was as high as 87.9, in comparison with 82.4 at the end of July and 81.2 at the end of June. The outbreak of war thus caused a rise of 6.7, or rather

8 per cent., a smaller advance than might have been expected from so great a disturbance to production. The advance in certain groups of commodities was, however, heavy, but the influence of these advances was largely neutralised by the absence of advance in the prices of certain textiles and materials. Vegetable food during the month rose 13.9 per cent., and since the end of June has advanced 15.4 points, or 23 per cent. After advancing 4.1 per cent. in July the price of animal food rose 2.1 per cent. in August, making a total advance of 6.3 per cent. in comparison with pre-war prices. In consequence of the stoppage of supplies from Germany the price of sugar rose 86 per cent., and the aggregate index-number of sugar, coffee, and tea advanced 35.4 per cent. during the month. The prices of minerals rose with the exception of copper and coal, which are rather lower. On balance the rise in the prices of minerals was only 4.7 per cent. In consequence of the stoppage of supplies of aniline dyes from Germany the price of indigo rose nearly 90 per cent., and this largely accounts for a rise of 5.7 per cent. in the index-number of sundry materials. The great demand for boots for the campaign brought about an advance of nearly 5 per cent. in the price of leather, and there was a rise of about 8 per cent. in the price of olive oil. The inability to get supplies of timber from Russia caused an advance of over 7 per cent. in the price of timber. The index-number of textiles slightly declined in consequence of a fall of 10 per cent. in the prices of cotton and of wool. Hemp and jute, which are needed for war purposes, however advanced, hemp being rather over 10 per cent. higher and jute about 9 per cent. higher.

Comparison of the prices of the various classes in August with the previous month and with former periods is as follows:—

	1878	1890	1904	1913	1914	1914	1914	Month's Rise
	'87	'99	'13	Dec.	June	July	Aug.	(+) or Fall (-) %
Vegetable food								
(corn, &c.)...	79	61	68	65.6	66.5	71.9	81.9	+10.0 +13.9
Animal food								
(meat & butter)	95	80	91	100.5	97.5	101.5	103.6	+2.1 +2.1
Sugar, coffee								
and tea ...	76	53	63	52.4	51.8	50.0	67.7	+17.7 +35.4
Minerals ...	73	71	96	102.5	96.7	94.0	98.4	+4.4 +4.7
Textiles ...	71	56	74	86.3	80.6	83.1	83.0	-0.1 ...
Sundry materials	81	66	76	84.2	82.5	81.7	86.4	+4.7 +5.7

In the aggregate the index-number of food advanced about 11 per cent. for the month and 15 per cent. for the two months. On the other hand, the index-number of materials rose less than 4 per cent. for the month and for the two months.

Taking articles of food and materials separately, the index-number for August compares thus (1866-77=100 in both cases):—

	Average	1878	1890	1904	1896	1907	1909	1912	1913	1913	1914	1914	1914
		'87	'99	'13	July	May	Feb.	July	Sept.	Dec.	June	July	Aug.
Food...	84	68	73	60.0	73.5	70.8	84.4	76.5	75.7	74.8	78.2	86.9	
Matrs.	76	64	81	58.6	88.9	72.6	88.0	92.4	89.8	85.7	85.5	88.6	

Gold.—The difficulty in obtaining foreign exchange made it necessary for many countries to send gold to Great Britain to meet their obligations in respect of bills falling due, interest and other payments, and the advance in the Bank of England rate to 10 per cent. early in the month accentuated the movement. The total amount of gold received during August reached the great figure of £12,142,583. Some of the metal came here at the beginning of the war on French account, and was subsequently remitted to Paris. Hence the exports of gold were £4,190,891, of which £2,686,719 was sent to France. Of the sum imported, £6,773,817 came from the United States, £1,046,709 from Brazil, £1,052,915 from Argentina, and £1,961,244 from South Africa. From the Netherlands £670,000 was received, and from Austria-Hungary £200,000.

Silver.—At the end of July the price of silver was as low as 23½d. From this figure it rose early in August to 27½d. on some urgent buying orders for the British Mint. After these orders were satisfied the price fell back, and at the close of the month was as low as 24½d.

The price and index-number of silver for August compare as follows (60.84d. per oz. being the parity of 1 gold to 15½ silver=100):—

	Price	Index		Price	Index
	d.	No.	End of	d.	No.
Average 1890-99	34	= 55.8	December 1906	32½	= 53.1
Average 1904-13	26½	= 44.1	December 1909	24½	= 39.9
Average 1893 ...	35½	= 58.6	December 1912	29	= 47.7
Average 1909 ...	23½	= 38.9	December 1913	26½	= 43.7
Average 1910 ...	24½	= 40.5	April 1914 ...	27½	= 44.8
Average 1911 ...	24½	= 40.4	May 1914 ...	26	= 42.7
Average 1912 ...	28½	= 46.1	June 1914 ...	26	= 42.7
Average 1913 ...	27½	= 45.3	July 1914 ...	23½	= 33.0
Lowest, Nov. 1902	21½	= 35.6	August 1914 ...	24½	= 39.9

BRAZILIAN LOANS.

As recently as June last arrangements were being made for affording Brazil necessary financial assistance. There were checks and *pourparlers*, but all progress that was made has been swept aside by recent events, and rehabilitation of Brazil finances is necessarily deferred. As an outcome of the situation Messrs. Rothschild early this week announced the following telegram received in reply to communications addressed by them to the Brazilian Government:—

"Have received your telegrams, and you may assure bondholders that Brazilian Government is studying a funding scheme which will meet the case. I will send you full explanations about the subject in a few days. In this critical time you can readily understand it is quite impossible to make any remittance—that is to say, a case of *force majeure*."

It is announced that as soon as Messrs. Rothschild receive the details in connection with the scheme the public will be immediately informed.

We give below a schedule of Brazilian Government and Provincial issues, as to the original amount and the present amount, the rate of interest, the denomination of the loan, and the date when interest payments fall due. These facts are extracted from the Stock Exchange Official Daily List:—

Brazilian.			
Loan	Interest Dates	Present Amount £	Amount £
4½% 1883 ...	J. & D.	2,713,100	4,599,600
4½% 1888 ...	A. & O.	4,258,000	6,297,300
4% 1889 ...	A. & O.	17,599,800	19,837,000
5% 1895 ...	P. & A.	6,873,000	7,442,000
5% Funding ...	J. A. J. O.	8,451,090	10,000,000
4% Rty. Guar. Rescission ...	J. & J.	12,209,020	16,619,320
5% 1903 ...	M. & N.	7,698,100	8,500,000
5% Lloyd Braz. Stg. ...	A. & O.	210,500	1,100,000
4% " " " ...	A. & O.	1,000,000	1,000,000
5% 1908 ...	J. & J.	1,941,900	4,000,000
4% 1910 ...	P. & A.	9,807,800	10,000,000
4% 1911 ...	M. & S.	4,160,600	4,500,000
4% 1911 ...	J. & J.	2,400,000	2,400,000
5% 1913 ...	A. & O.	11,000,000	11,000,000
		90,322,880	107,295,220

Provincial Governments.

	Interest Dates	Present Amount £	Amount £
Alagoas 5% ...	J. & J.	270,500	507,000
Bahia 5% 1904 ...	M. & N.	1,008,000	1,613,800
" 5% 1913 ...	J. & J.	994,000	1,000,000
Para 5% Gold ...	J. & J.	1,314,800	1,450,000
" 5% Stg. ...	J. & J.	591,000	650,000
Rio de Janeiro 5% External ...	A. & O.	3,000,000	3,000,000
San Paulo (Prov.) 5% Stg. 1888 ...	A. & O.	411,700	787,500
" " " 5% Treas. bds. 1913 ...	J. & J.	4,750,000	7,500,000
Sao Paulo (State) 5% 1904 ...	A. & O.	847,360	1,000,000
		13,187,360	17,501,300

It has to be noted that in respect of the direct Government loans the interest requirements, irrespective of redemption, aggregates on the schedule given £4,014,500. Similarly in respect of the provincial loans the interest amount is £659,000.

Financial Notes.

ACCORDING to a Reuter telegram from Amsterdam, the Berlin newspapers indicate that the German Government is about to raise 50 millions sterling of Five per Cent. Treasury bonds, running for five years, to finance the war, and in addition a Five per Cent. loan, irredeemable until 1924—that is for 10 years—the amount of which is not reported. It is said that the price of both issues is to be 97½ per cent. The German Government seems well advised in offering such a rate of interest as is likely to ensure the success of both issues. Even during the Balkan war, when Germany was not engaged in hostilities, she failed to place all the Four per Cents. that she offered. There seems no reason, however, why she should not now be able to place Five per Cents. After all, Germany is not merely a rich country, but a high-spirited one also, and her people will not allow her to be beaten for want of money, so early in the war at all events.

It is reported from New York that the banks of that City are prepared to advance whatever sums the City may require, provided it makes satisfactory provision for repayment and assures more economical management of its affairs. In what way the assurance is to be given is not stated. Undoubtedly it is most desirable that the management of the finances of New York City should be conducted more economically, and with a closer regard to the interest of the community; but the City has large governing powers, and in what way the prevailing party is to be prevented from waste and extravagance does not appear very clear. If the banks can bring such pressure to bear as will compel the City authorities to give real assurances, everybody will rejoice, and New York will immensely benefit. But illusory assurances will do little good.

The return of the Imperial Bank of Germany for the week ended August 31 shows that the gold coin and bullion amounted to £77,824,950, an increase for the week of £1,356,200. Apparently the Government continues to do its best to increase the gold held by the Bank, and the increase for the last week of August, considering all the circumstances, is a very considerable one. No doubt the German banks are using all their influence to get the metal in from neutral countries. We doubt very much what seems to be the favourite notion of our daily contemporaries, that much of the internal circulation has been directed into the Bank. The usual practice on the Continent is not to send any to the banks, but to hoard when there is real apprehension. During the late Balkan wars, for example, hoarding was very general not only in Germany, but in France and Austria as well. On the other hand, the notes in circulation amounted to £211,745,650, an increase for the week of £11,745,550. Evidently the Government is defraying most of its home war expenditure by issuing notes. The bills discounted amounted to £237,503,350, an increase for the week of £6,702,850. This should not cause any surprise, for the consequences of the war on the Money market must have been even greater in Germany than here at home, and we all know how our own Money market broke down under the strain. On the other hand, the advances were only £5,246,450, a decrease of £2,892,300. It is clearly by discounting bills that the Bank is assisting trade, but then that has been the course usually followed by it for many years.

The return of the Imperial Bank of Russia for the week ended August 28 shows that the note issue

amounted to £243,139,000, being an increase compared with the week before of £2,046,000. The increase is not very considerable for a period of war and during a time when the crops are being moved, but there had been a very great expansion in the circulation in the previous period since the war began. The total gold held at home on August 28 was £160,748,000, showing a slight increase of £115,000 for the week. Abroad the gold held amounted to £11,685,000, being a decrease of £5,000. Practically, therefore, the total increase in the gold for the week was £110,000, and the gold held at home and abroad amounted to £172,433,000. It follows that the proportion of the gold to the circulation was 70.9 per cent. In addition to the gold, the Bank held £5,860,000 in silver. It may be added that of the total authorised note issue the Bank held in reserve on August 28, £9,360,499. The loans and discounts amounted to £121,433,000, being an increase of £45,352,000 compared with July 21.

PALMER'S SHIPBUILDING AND IRON COMPANY.

A CIRCULAR has been issued to the Debenture-holders containing a description of improvements that are to be carried out at the iron and steel works in order to secure economical production and place the departments on a profit-earning basis. To effect the desired improvements an expenditure of about £250,000 will be necessary, which it is proposed to spend over a period of about two years. To enable the Company to provide for the expenditure their bankers have intimated their willingness to increase the Company's loan account to £250,000, taking a first charge for that amount on all the assets of the Company ranking in priority to the existing Debenture stock and Debentures. At the present time losses are being incurred in the iron and steel works, reducing the large profits made in other departments. The trading results for the year ended June 30 last show a substantial profit in spite of this loss. The exact amount is not yet available, inasmuch as the audit is not finished; but it is estimated that after providing for all charges, including interest on Debentures and other loans, the profit will exceed £60,000, as compared with £2,268 for the previous year. Had it not been for the losses in the iron and steel works, naturally a very much greater improvement would have been shown, and there can be no question that the directors are taking the right course in deciding to modernise these works. It has been decided to provide, *inter alia*, an installation of modern gas-engines, new gas-producers, and a complete electrification scheme which will include the provision of gas-driven alternators capable of supplying the needs of the shipyard, engine works, blast furnaces, and steel works, thus utilising large volumes of gas which at present go to waste.

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SOME AMERICAN INDUSTRIALS, &c.

MESSRS. HIGGINSON AND Co., a well-known issuing house on this side of American securities, have taken advantage of the present circumstances to issue a letter to their clients, the gist of which we reproduce, for the purpose of giving assurance and, in addition, of suggesting suitable opportunities afforded investors. They say: "In anxious times like the present a word of assurance as to the various securities we have issued will not seem out of place. A consideration of our various bond issues justifies us, we believe, in our confidence that the payments of interest thereon will continue to be punctually met."

Messrs. Higginson and Co. draw attention to the fact that the various railroad, public utility and industrial issues to which they have invited investors to subscribe are obligations of well-established companies, whose financial condition and earning capacity are so strongly entrenched that they can stand the brunt of hard times; dividends may suffer, but interest charges are secure. For instance, Kansas City Terminal bonds have behind them the combined earning capacity of 12 among the strongest railroad companies in the United States. Virginian Railway bonds are protected by earnings which have shown continuous increase since the commencement of operations. Turning to the public utility group, the Interborough Rapid Transit Company earnings for the twelve months to June 30 last are record figures, showing earnings of 22.9 per cent. on the Common stock, compared with 18.7 per cent. for the previous year, and an extra dividend of 5 per cent. was

declared in addition to the regular 10 per cent. rate; and the experience of the hard times of 1907 shows that companies conducting telephone, transportation, power and lighting business in large communities are less liable to suffer in times of crisis than any other public concerns; people must travel within their districts, must use light and heat and telephone facilities, whether times be good or bad.

Among industrial undertakings whose bonds have been introduced here may be instanced the United Fruit Company. As 75 per cent. of the beet sugar produced in Europe comes from Germany, Austria, Russia and France, the countries where military operations are likely to do the most damage to the fields and where loss of agricultural help will create the largest diminution of yield, it would not be surprising if the price of sugar were to remain at its present high level for some time, much to the advantage of the earnings of the United Fruit Company. The European trade in bananas will probably suffer, but the home trade, which is far the most important, will continue as before, while the rise in the price of sugar will give record earnings in this branch. The Company is well situated to meet bad times; the last report shows an accumulated surplus of profit and loss of over \$16,000,000; annual interest charges do not exceed \$1,700,000; thus the Company has in reserve nearly 10 years of interest requirements. The cash on hand at last report was \$8,600,000.

It is suggested, therefore, that those with cash to invest might do worse than to turn their attention to sound American securities, where their capital would find investment outside the war zone in undertakings which can continue their normal business in these troublous times. The financial disturbance gives an opportunity to secure sound investments on the "bargain counter." Particularly there may be suggested the purchase of bonds payable at fixed exchange, where the buyer is not only protected against exchange risk on interest, but is offered a handsome profit in the opportunity to pay for his purchase at the present high exchange, and to receive repayment at maturity at the fixed lower rate. For instance, a purchaser of United Fruit Six per Cent. Debentures for \$5,000 would pay to-day in principal only £1,000, and receive in May 1917 £1,027 8s. 4d. We append in chronological order a list of fixed exchange bonds with approximate price at which they can be bought to-day and sterling amount receivable at maturity:—

	Cost			Principal Receivable at Maturity		
	£	s.	d.	£	s.	d.
Kansas City Terminal Railway 5 % Sterling notes, July 15, 1916	...	*99	10 0	100	0 0	
United Fruit Company 6% Debentures, May 1, 1917	...	*100	0 0	102	14 10	
United Fruit Company 5% Debentures, May 1, 1918	...	*97	5 0	102	14 10	
Bell Telephone Company of Canada 5 % bonds, April 1, 1925	...	*100	10 0	102	17 6	
Northern Electric Company 5% bonds, June 1, 1939	...	*96	10 0	102	14 10	
Portland Railway Light and Power Company 5 % bonds, Feb. 1, 1942	...	*93	0 0	102	14 10	
Virginian Railway Company 5% bonds, May 1, 1982	...	*99	0 0	102	15 0	

* Accrued interest must be added to these prices.

Dealings at the present time are, of course, largely a matter of negotiation, but it is believed that at the above quotations moderate amounts of the securities mentioned could be secured.

DENVER AND WESTERN PACIFIC.

THE intimation that the directors of the Denver and Rio Grande Railroad had decided to pay the semi-annual interest due on Western Pacific Five per Cent. First Mortgage bonds due September 1 must have been received with relief by the holders of those bonds. With regard to the future interest on the bonds, some plan of adjustment appears, however, to be necessary.

The Western Pacific, although a separate undertaking, is in reality the Pacific extension of the Denver. The construction of the Western Pacific was, the directors maintain, forced upon the Denver Company consequent on the acquisition of control of the Southern Pacific by the Union Pacific, which led to unexpected restrictions on interchange of traffic between the Denver and the Southern Pacific. The policy of extension has been a costly one for the Denver, and whereas a few years ago that Company was paying full dividends on its Preferred stock, with a substantial surplus for betterments, all dividends have now had to be suspended. The construction of the Western Pacific has entailed an expenditure of not far short of \$100,000,000 and has involved annual interest charges of about \$5,000,000. So far, the Denver has been called upon each year to make good the deficiency in meeting the 5 per cent. interest on the \$50,000,000 of First Mortgage bonds and has received nothing upon the \$25,000,000 of Five per Cent. Second Mortgage bonds and \$20,000,000 odd of Notes of the Western Pacific which it holds in its treasury and for which it paid cash. In these circumstances the problem of providing the necessary means for the development of the Western Pacific, and indeed of the Denver itself, has been a difficult one.

Undoubtedly, one of the principal causes for the failure of the Western Pacific so far to earn profits sufficient to pay even the interest on its First Mortgage bonds is that the road stretches across a territory largely unproductive, and possesses no branches to act as feeders to the main line. Accompanying the announcement that the interest on Western Pacific was to be paid was a statement that if the Denver is to continue its support of the Western Pacific some plan of adjustment of Western Pacific finances and the relation of the Denver thereto must be devised which will be acceptable to the holders of the bonds. Further, it has been stated that a call for the deposit of bonds will be made at an early date by a committee of responsible bankers looking to the adoption of a plan which will at once lighten the burden now being carried by the Denver, and will place the financial structure of the system upon a basis of recognised solvency and credit, while as far as possible providing the means for the development of the Western Pacific.

The payment of the interest due September 1 was decided upon in order, it is understood, to give more time for the preparation of an effective plan, and, further, in order to enable the Western Pacific to show what it can achieve under favourable crop conditions. Both in Denver and Western Pacific territory the crop situation is stated to be better than ever before, and there are good prospects for heavy traffic being forthcoming this fall. Under the supervision of the bankers an examination is being conducted by Mr. J. S. Stevens of the property, traffic, and needs of the two companies, and doubtless the steps that will be adopted in carrying out the contemplated plan of adjustment will be governed by the report of this expert.

The desire on the part of the Denver to be relieved to some extent of the financial burden imposed upon it by the Western Pacific is a perfectly natural one. It is, however, a matter for congratulation that up to the present the Denver has been able to meet its own interest requirements, notwithstanding the fact that some \$45,000,000 of its capital invested in the Western Pacific has brought no return, and that it has had to make good deficiencies incurred by the Western Pacific in earning interest on its First Mortgage bonds. The strain is, however, now being felt by the Denver. Last year proved an unfortunate one for the undertaking owing to poor crops, a coal strike in Southern Colorado, and general business depression. However, after paying all its own interest charges, including the interest on its Adjustment bonds, the Denver had a surplus of about

\$1,100,000, which, with the net income of the Western Pacific, amounting to \$697,000, provided a sum of about \$1,800,000 to meet the interest on Western Pacific First Mortgage bonds, which called for \$2,500,000. The balance of about \$700,000 is stated to have been covered by funds in the Company's treasury.

CHICAGO AND NORTH WESTERN RAILWAY.

The Chicago and North Western Railway, all things considered, held its ground well in its financial year to June 30, there having been a margin of \$1,206,000 beyond requirements of a 7 per cent. dividend on the Common stock. The gain in gross revenue was \$641,000, a falling off of \$672,000 in freight earnings having been accompanied by an increase of nearly \$1,000,000 in passenger receipts and by an appreciable gain in non-transportation revenue. Operating expenses, including taxes, increased as much as \$1,800,000, of which taxes accounted for nearly \$700,000. Transportation costs were actually down, the large addition to expenditure having been brought about by increased outlays upon maintenance of way and equipment. Other income fell off \$568,000, while fixed charges increased over \$800,000. The final result is that profits declined over \$2,500,000 to \$12,105,000, and after the payment of the dividend on the Eight per Cent. Preferred stock there remained a balance equal to 7.78 per cent. upon the Common stock, against 11.7 per cent. earned in 1912-13. The heavy outlays for maintenance made in the past year have placed the road in a sound physical condition, capable of handling in an economical manner any traffic that may come to it as a result of the bumper crops to be gathered this fall.

SEABOARD AIR LINE RAILWAY.

The Seaboard Air Line Railway for the year to June 30, 1914, secured a gain in gross revenue of \$763,000, or 3 per cent., and after meeting \$628,000 heavier expenses, in part due to higher wages, net earnings showed an increase of \$135,000. Fixed interest charges, rentals and hire of equipment called for an additional \$202,000. In all the falling off in the net profit was about \$67,000. For the year the net profit amounted to \$2,929,000, and after the payment of the full 5 per cent. interest on the Adjustment Mortgage bonds there remained a balance of \$1,679,000 available for the Preferred stock, upon which the fourth quarterly distribution of 1 per cent. has recently been paid. This stock may now be regarded as being in receipt of a regular 4 per cent. dividend unless any unforeseen circumstance arises to impair profits. The addition of the Preferred stock to the list of dividend-payers at a time when many American railways were either cutting their dividends or suspending them altogether came as a welcome relief, and was regarded as an indication of the marked progress effected by the Seaboard Air Line in recent years. To pay the 4 per cent. dividend on the Preferred for the year called for \$956,000, which thus left available for improvements and other capital purposes an amount equal to almost 2 per cent. upon the Common stock. The issues of the Seaboard Railway best known on this side are the Four per Cent. Refunding Mortgage bonds and, more particularly, the Five per Cent. Adjustment Mortgage Income bonds. The latter are in the nature of a pre-Preference stock entitled to cumulative dividends. No distribution can be made upon the Preferred and Common stocks until any arrears on the Income bonds have been paid off. The interest upon the Income bonds in the past year has been earned almost two and a half times over. The Preferred stock is entitled to non-cumulative dividends up to

4 per cent., after which the Common is entitled to 4 per cent. The Preferred may then receive a further 2 per cent., after which the Common has claim to all further profit.

CUBAN RAILWAYS—III.

UNITED RAILWAYS OF THE HAVANA.

The bumper Cuban sugar crop this year and the high prices at which it is being sold will be of immense value to the United Railways of the Havana. The Company is essentially a sugar-carrier, although in recent years efforts made to cultivate other sources of income have met with marked success. Roughly speaking, about 40 per cent. of the total sugar production of the island is transported over the system, and the revenue derived therefrom constitutes something like 30 per cent. of the Company's total gross receipts.

The nature of the freight traffic and the importance of sugar to the Company's prosperity will be seen from the accompanying table:—

Freight Traffic, United Railways of the Havana.

	1912-13	1911-12	1910-11	1909-10	1908-09
	Tons	Tons	Tons	Tons	Tons
Sugar cane...	4,378,391	4,058,652	2,714,008	3,244,463	2,618,133
Sugar, raw ...	848,611	691,695	450,409	636,031	534,214
Molasses ...	182,837	170,514	141,044	183,823	146,704
Alcohol ...	9,354	7,392	4,027	2,222	1,735
Total sugar cane and products	5,417,193	4,928,253	3,709,488	4,066,539	3,300,786
Coal...	195,234	193,803	149,070	134,509	92,542
Firewood ...	117,973	118,374	123,586	108,427	89,318
Native woods ...	94,198	94,637	91,793	73,509	57,600
Charcoal ...	61,639	54,989	53,885	51,473	47,538
Stone, tiles, bricks	119,377	90,206	111,554	100,046	71,092
Fresh fruit...	34,765	29,760	19,763	21,407	33,023
Tobacco ...	22,577	15,649	14,253	20,924	17,818
General merchandise	646,594	547,243	557,647	549,288	409,685
Miscellaneous ...	40,353	47,602	59,352	50,212	39,926
Total public traffic	6,749,903	6,120,516	4,490,386	5,176,334	4,159,326

This year's sugar crop is the largest ever gathered in Cuba, and already amounts to something like 2,500,000 tons, as against 2,350,000 tons in 1913—the previous record. Moreover, owing to the stoppage of Continental supplies as a result of the war, the price of sugar has risen appreciably, and values now range at between 50 per cent. and 100 per cent. higher than at this time last year. All the indications therefore point to the conclusion that Cuba is in for a period of unexampled prosperity. In this prosperity the railway companies will fully share. In the first place they will have to carry the bumper sugar crop from the plantations to the factories, and the big output from the factories to the ports. Secondly, the companies will obtain a considerable additional revenue from the transport of materials in connection with the sugar trade; and thirdly, they will benefit from the general all-round expansion in business which the increased wealth and prosperity of the country will create.

The United Railways of the Havana, with its numerous lines and branches, forms a network of rail communication ramifying from Havana, Matanzas, and Santa Clara, and into Pinar del Rio, embracing in the territory they cover some of the richest sugar-cane lands in the island, besides some of the choicest fruit and vegetable raising districts and tobacco regions of equal character. As its name implies, the system has been built up by the amalgamation of several small lines, including in recent years the Cardenas and Jucaro Railway, acquired in January 1906, followed later in the same year by the acquisition of the Matanzas Railway. It now owns and operates 681 miles of railway, besides which it works the lines of the Marianao and Havana Railway Company and controls the undertaking of the Havana Central Railroad, and, jointly with that company, holds all the issued capital of the Havana Terminal Railroad. It also holds about 98 per cent. of the

share capital of the Western Railway of Havana, and in December last acquired over 93 per cent. of the Ordinary shares of the Cuban Central Railways.

Despite the fluctuating character of the crops, the average profits of the Company come out remarkably well. For the past three seasons the crops have been good, and the profit-earning capacity of the line has been raised appreciably. Last year, owing to the world-wide financial depression, some falling off in earnings was experienced; but, having regard to the striking improvement of the two preceding years, the set-back has been relatively slight, amounting to only £50,000, or about 3 per cent. If the whole of this decline in gross receipts represents loss of profit the balance for dividend will amount to approximately £456,000, as against £361,000, the average profits of the four preceding years. A retrospect of the main result of working for a decade shows how the Company's earnings fluctuate from period to period, according to the varying fortunes of the sugar industry. At the same time it will be noticed from the accompanying comparison that over a series of years the average profits earned are relatively large:—

United Railways of the Havana.

Year	Gross Earnings £	Expenses £	Ratio %	Net Earnings £	Profit for Ordinary £
1913-14*	1,585,000	891,000	56.21	694,000	458,000
1912-13	1,635,250	891,056	54.49	744,194	503,449
1911-12	1,422,098	778,247	54.72	643,851	403,860
1910-11	1,224,775	734,744	59.98	490,031	230,542
1909-10	1,250,204	685,285	54.81	564,919	205,315
1908-09	1,093,394	639,745	58.51	453,649	183,040
1907-08	929,828	637,155	68.52	292,673	71,804
1906-07	1,220,731	668,197	54.74	552,534	312,037
1905-06	840,831	443,101	52.70	397,730	234,453
1904-05	554,587	251,025	45.26	303,562	198,681
1903-04	437,590	212,981	48.67	224,609	125,755

* See letterpress.

We do not put forward the figures for 1913-14 as a considered estimate of the probable results for the year, but merely give them to indicate the relative strength of the position on the hypothesis that the Company has been unable to effect any savings whatever in expenditure. As the system is well and economically managed, and its physical condition was never better, the probabilities are that a material saving has been brought about in the cost of working, and that the loss of profit compared with the record year 1912-13 has been insignificant. Last year, it will be recollected, an expansion of £212,000 in gross receipts was accompanied by an increase of £113,000 in working expenses; but of this addition no less than £72,300 was traceable to terminal charges in connection with the new station in Havana. Eliminating this special item, the extra cost of moving the larger traffic was exceedingly small. Indeed, the condition of the property has been so vastly improved in the last few years that it is now possible to work with greater economy than ever previously. To show the relatively large sums which have been devoted to maintenance, and the course of transportation and other expenses in recent years, we give the following statement:—

Expenses of the United Railways of the Havana.

	1912-13	1911-12	1910-11	1909-10
	£	£	£	£
Maintenance expenses—				
Perm. way and works	186,816	172,888	156,891	146,101
Locomotives	81,144	71,098	70,712	69,185
Coaching stock	28,847	27,339	22,181	24,087
Goods stock	59,037	68,239	76,572	69,299
Total maintenance	355,844	339,564	326,156	308,672
Transport expenses—				
Running expenses	181,804	159,485	142,072	148,816
Traffic expenses	228,680*	162,030	156,320	152,796
Electric working	24,053	21,793	21,908	—
Total transport	434,537	343,308	320,300	301,612
Ferry boat service	15,173	14,621	11,629	8,497
General charges	54,317	53,128	51,653	47,814
Miscellaneous	31,185	27,626	25,006	19,694
Total expenses	891,066	778,247	734,744	685,289

* Including £72,312 for terminal charges.

The proportions of the above expenses to the gross receipts are set out below:—

Ratios of Expenses to Gross Receipts.

	1912-13	1911-12	1910-11	1909-10
	%	%	%	%
Maintenance expenses—				
Permanent way and works ...	11.49	12.22	12.83	11.74
Locomotives ...	4.99	5.03	5.78	.56
Coaching stock ...	1.77	1.93	1.81	1.93
Goods stock ...	3.63	4.22	6.25	5.57
Total maintenance ...	21.88	24.00	26.67	24.20
Transport expenses—				
Running expenses ...	11.18	11.27	11.62	11.95
Traffic expenses ...	14.06	11.45	12.79	12.27
Electric working ...	1.48	1.54	1.79	—
Total transport ...	26.72	24.26	26.20	24.22
Ferry boat service ...	0.93	1.03	.95	.68
General charges ...	3.34	3.78	4.22	3.84
Miscellaneous ...	1.62	1.67	1.94	1.27
Total expenses ...	54.49	54.72	59.98	54.81

On the assumption that in respect of the past year there has been no saving in expenses, and that there is a net loss of £50,000, the profit available for the Ordinary would be equal to a dividend of over 7½ on the stock. Last year the distribution was 5 per cent., and if this rate is maintained there would be a balance of as much as £163,000 with which to augment the reserve and other funds.

To show the strength of the various capital issues and the relatively large margin behind the 5 per cent. dividend on the Ordinary capital, notwithstanding the set-back which has occurred in the past twelve months, we give the following statement:—

Year -1913-14*	1912-13	1911-12	1910-11	1909-10
	£	£	£	£
Gross earnings ...	1,585,000	1,635,250	1,422,098	1,250,204
Expenses ...	891,000	891,056	773,247	688,289
Ratio ...	(58.21)	(54.49)	(54.72)	(59.98)
Net earnings ...	694,000	744,194	643,851	561,915
Miscellaneous ...	260,000	280,465	244,031	89,959
Net income ...	954,000	1,004,659	887,932	651,874
5 % "A" Irred. Deb. stock	19,000	19,000	19,000	19,000
5 % Cons. Irred. Deb. stock	71,000	71,295	71,295	71,295
5 % Irred. Deb. stock (1906)	141,000	141,205	141,205	141,205
4 % Red. Debs. & Deb. stock	52,000	51,547	51,547	51,547
4½ % Red. Debentures	45,000	44,578	44,547	—
Miscellaneous ...	56,000	56,475	42,430	32,887
Total charges ...	384,000	384,100	370,024	318,034
Net profit for Pref. Stock	570,000	620,559	517,908	343,815
Div. on 5 % Cum. Pref. stk.	114,000	114,110	114,023	38,500
Profit for Ordinary	456,000	506,449	403,880	305,315
Dividend on Ordinary	293,000	293,000	263,700	190,400
Rate per cent. ...	(5 %)	(5 %)	(4½ %)	(4 %)
Surplus ...	163,000	213,449	140,180	114,915
Transferred to—				
Reserve ...	—	125,000	75,000	85,000
General renewals acct.	—	50,000	50,000	25,000
Insurance fund ...	—	5,000	10,000	—
Pension acct. ...	—	20,000	—	—
Expend. on works ...	—	15,000	—	—
Total to reserve funds ...	?	215,000	135,000	115,000
Balance ...	?	Dr. 1,551	Cr. 142	Dr. 85
Brought forward ...	18,000	17,881	12,701	12,644
Carried forward ...	?	16,330	17,881	12,559

* Estimated.

It is true that in respect of the past year dividend will have to be provided on a larger amount of stock, owing to the recent purchase of the Ordinary shares of the Cuban Central Railway; but as the profits of the latter concern now belong to the United Company, the additional sum needed to pay the dividend is small. We dealt with the position of the Cuban Central last week, and showed that a profit of £57,000 was likely to have been earned in respect of the past year. The price paid for the property was £7 10s. nominal in Ordinary capital of the United Railways Company for each £10 share of the Cuban Central Company, and the amount of money involved in the transaction was £675,000. This raises the Ordinary stock of the United Railway to £6,515,000, and as the estimated profit of the two Companies amounts to at least £513,000, a dividend of slightly under 8 per cent. was earned on the increased capital. The approximate earnings and profit of the combined

undertaking for the year to June last will be seen from the following statement:—

Estimated Results for the Year to June 30, 1914.

	Voltd of Havana 631	Cuban Central 345	Combined Undertaking 1,026
	£	£	£
Mileage ...	1,585,000	598,000	2,174,000
Gross earnings ...	891,000	337,000	1,228,000
Expenses ...	(56.21)	(57.21)	(56.48)
Ratio ...	694,000	252,000	946,000
Net earnings ...	260,000	2,000	262,000
Miscellaneous ...	954,000	254,000	1,208,000
Net income ...	334,000	131,000	515,000
Fixed charges ...	570,000	123,000	693,000
Net profit ...	114,000	66,000	180,000
Dividend on Pref. stock ...	456,000(a)	57,000(b)	513,000(c)
Profit for Ordinary ...	293,000	27,000	320,000
Ordinary dividend ...	(5 %)	(3 %)	—
Rate per cent. ...	163,000	30,000	193,000
Balance ...			

(a) Equal to 7.88 % on the Ordinary capital of £5,840,400.

(b) Equal to 6.33 % on the Ordinary capital of £900,000.

(c) Equal to 7.87 % on capital of combined undertaking of £6,515,400.

Financially, also, the Company is in a strong position. It has ample capital resources with which to further develop its system, and its reserve and renewal funds now amount to a fairly respectable total. This, together with the fact that the earnings of the line are progressive, and that the various subsidiary undertakings in which the Company is interested are producing improving results, clearly indicates that higher dividends than 5 per cent. are likely to be forthcoming. Especially is this the case having regard to the excellent outlook for sugar. The price of the Ordinary stock on July 30 was 76½, and on a 5 per cent. dividend basis the yield afforded is nearly £7 per cent. The Five per Cent. Cumulative Preference stock at the price of 95 is a good purchase, having regard to the fact that the dividend was covered fully five times by last year's estimated profits and that it is cumulative. The Debenture issues of the Company are well secured, the total fixed charges representing less than 40 per cent. of last year's estimated net income.

The capital of the Company and the yields afforded by the various securities at the quotations current on July 30 will be seen from the table appended:—

	Amount	Interest	Price	Yield
	£	%	July 30	£ s. d.
5 % "A" Irred. Deb. stock ...	380,000	5	110	4 11 6
5 % Consol. Irred. Deb. stock ...	1,425,900	5	104	4 16 10
5 % Irred. Deb. stock (1906) ...	2,692,000	5	104	4 18 10
4 % Debs. and Deb. Stock Red. ...	1,281,555	4	86	4 12 3
4½ % Debs. to bearer ...	988,750	4½	91	4 19 9
5 % Cum. Preference stock ...	2,282,712	5	95	5 6 1
Ordinary stock ...	5,840,400	5	76½	6 18 11
Ordinary shares ...	30	—	—	—
Deferred Ordly. stock ...	493,434	—	—	—
Total ...	15,385,181			

THE ELECTRICAL ENGINEERING INDUSTRY.—III.

In continuance of previous articles dealing with the electrical engineering industry as a whole, pointing out the opportunities for increasing trade and general expansion of business caused by the stoppage of German trade during the war, we draw attention this week to the position of further companies likely to benefit in such expansion.

W. T. HENLEY'S TELEGRAPH WORKS.

A very satisfactory condition of affairs was disclosed in the last report of this well-known Company, the shareholders receiving a distribution of 20 per cent., as compared with 17 per cent. for 1912, and 15 per cent. per annum for many years previously. Last year's trade was the best experienced, being the largest in the number of orders received, in the actual

amount of material turned out of the works, and in the actual amount of sales of material, the increase in trade characterising both home and foreign business. The Company has now very little left of the original business acquired—namely, the manufacture of submarine cables. Some thirty years ago this represented practically the whole of the business; but a change has occurred, and in place thereof there has been taken up the manufacture of underground cables of various kinds, and the business now largely consists of the manufacture of cables for telephones, electric lighting, and tramway and railway traction, to which must be added the manufacture of golf balls and motor tyres.

In the following table we set out the manner of dividing the profits for the past seven years:—

Year ended Dec. 31—	1913	1912	1911	1910	1909	1908	1907
	£	£	£	£	£	£	£
Profits ...	106,380	90,914*	79,568	74,304	71,518	68,314	63,842
Depreciation ...	18,297	13,790	11,864	17,244	8,719	10,868	6,762
	90,083	77,124	67,704	57,060	62,799	57,446	57,080
Deb. int. (4½ %)	6,750	6,750	8,750	6,750	6,750	6,750	6,750
Prof. div. (4½ %)	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Ordinary dividend	40,000	34,000	30,000	30,000	30,000	30,000	30,000
	(20%)	(17%)†	(15%)	(15%)	(15%)	(15%)	(15%)
To reserve...	20,284	19,219	12,403	16,394	10,000	10,000	10,000
	14,049	8,155	9,551	5,084	7,049	1,696	1,330
Brought forward	45,017	36,862	27,311	32,395	25,346	25,650	22,320
Carried forward	59,066	45,017	36,862	27,311	32,395	25,346	23,650

* Includes value of securities in respect of the Bahamas-Florida cable repaying fund.

† Includes bonus in distribution of the above fund.

It will thus be seen that though the distribution has been raised to 20 per cent., this has not absorbed the whole of the increased profits, but that substantial sums have been set aside for other purposes. An amount of £15,000 has been transferred to the reserve, while £5,284 has been applied against depreciation of Consols and other trustee securities. There then remains a surplus of £14,049, which is added to the carry-forward, bringing it up to £59,066. The Company is getting a fair part of cable work from the Post Office with regard to the telephones. Contracts have been received for underground telephone cables for use between Leeds and Hull, Coventry and Birmingham, Newport and Cardiff, Cardiff and Swansea, London and Slough, &c. Some of these were completed* during 1913, and added their quota to the profits of that year; others are being carried out at the present time. From abroad the Company has had a large increase in telephone work, particularly in the Colonies, such as a submarine telephone cable which was laid last summer across the Straits of Georgia, connecting Vancouver Island with the mainland. A similar cable is now being made for the Danish Government, and it is interesting to note, in connection with the cable, that the Company has to wind fine iron wires to the extent of 1,500,000,000 of complete turns round the copper conductor. Further, a large number of contracts have been made for the construction of electric-light mains, one being a considerable order for the City of Shanghai, a city which recently has been buying its electrical material elsewhere than from England. The Company has also been very busy in ship-work, and cables have been supplied to a considerable extent to the British Navy and also to the private shipbuilding yards of the country. The ship *Australia*, which is the flagship of the first unit of the Australian Squadron, has been supplied with the whole of its cables by the Company. Also the whole of the cables installed on the latest Cunarder, the *Aquitania*, came from W. T. Henley's Telegraph Works Company. But the newest and most important field of work is probably to be found in the electrification of railways. Twelve months ago it was announced that the largest order that had been placed for cables for this purpose had been given to the Company by the Central Argentine Railway Company. The whole of that cable has been

manufactured and delivered in the Argentine and is now being laid. It is anticipated that the work to be done in the Argentine will occupy another year. In addition to that, the Company has been entrusted with an order by the London and North-Western Railway Company for certain cables for the Willesden electrification, and recently an order has been placed with it for the cables for the electrification of the suburban lines of Buenos Ayres by the Buenos Ayres Western Railway Company. Twelve months ago it was announced that the Company had decided to enter upon the manufacture of motor tyres, and a new tyre factory is in operation at Gravesend, but it has not yet produced anything to the credit of the trading account. The capital at present in issue consists of £150,000 of Four-and-a-Half per Cent. Mortgage Debenture stock, £200,000 in Four-and-a-Half per Cent. Cumulative Preference shares of £5 each, and £200,000 of Ordinary shares of £5 each. With the allocation of £15,000 from the profits of 1913 the reserve fund is brought up to a total of £215,000.

We further set out a synopsis of the balance sheet as at the end of last year:—

Balance Sheet as at December 31, 1913.

LIABILITIES.		£
Capital—		
4½ % Cum. Preference shares, £5 each ...	...	200,000
Ordinary shares, £5 each ...	...	200,000
4½ % Mort. Debenture stock ...	...	150,000
Oreditors and contingent reserves, &c. ...	...	226,232
Reserve account ...	...	215,000
Profit and loss ...	...	95,898
		1,087,130
ASSETS.		£
Freehold land, buildings, machinery, &c. ...	...	418,318
Investments ...	...	81,493
W. T. Henley's Telegraph Works Co. Debenture stock ...	...	9,571
Debentures and shares held in other companies ...	...	13,591
Stock in trade ...	...	221,887
Debtors ...	...	235,429
Bills receivable in hand ...	...	5,471
Cash at bankers and in hand ...	...	101,370
		1,087,130

It will be seen that out of total assets valued at £1,087,130, freehold land, buildings, &c., stand at £418,318, investments are valued at £81,493, stocks stand at £221,887, while the cash on hand at the end of the year was as much as £101,370. Altogether, therefore, a distinctly strong position has been built up, and the Company is excellently situated to take advantage of any trade expansion caused by the war. The following are recent quotations for the Company's securities:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
150,000	4½ % 1st Mort. Deb. stock ...	100	100½	4½	4 10 7
200,000	4½ % Cum. Pref. ...	5	5	4½	4 12 1
200,000	Ord. shares ...	5	15	20	7 6 4

TELEGRAPH CONSTRUCTION AND MAINTENANCE.

This Company ranks as one of the oldest and most successful of those engaged in cable manufacturing. During the earlier part of its existence the Company did a very large business and paid very large dividends, chiefly, of course, owing to the fact that little or no competition was in evidence, and it was consequently able to secure practically all the business that was going. Moreover, it was in much the same position as some companies, such as electric-tramway construction and electric-railway construction companies are nowadays—namely, it was in the habit of doing a finance business as well as a manufacturing one; but inasmuch as at the present time telegraph companies do their own financing, naturally that lucrative part of the business has now been lost, and the Company confines its operations to those of a manufacturing concern, and it manufactures and lays cables. But in addition to that, of late years the basis of the business has been considerably broadened, and accord-

ingly several new branches of work connected with the electrical industry in general—electric traction, electric lighting, telephones, &c.—have been added to the original cable basis. The report for 1913 was the fiftieth annual one, and it shows that the earlier prosperity is being repeated in later years. The net profits, after providing for directors' remuneration and Debenture interest, amounted to £114,863, as compared with £109,619 for 1912. The dividend was maintained at 20 per cent., and a sum of £20,000 was carried to reserve, bringing it up to £125,000. Herewith we set out the manner of dividing the profits for each of the past three years:—

	Year ended Dec. 31—1913	1912	1911
	£	£	£
Net profit	114,863	109,619	87,516
Ordinary dividend	89,640	89,640	78,435
	(20 %)	(20 %)	(17½ %)
	25,223	19,979	9,080
Reserve	20,000	20,000	10,000
	5,223	— 21	— 920
Brought forward	106,637	106,658	107,578
Carried forward	111,860	106,637	106,658

The present capital of the Company is £448,200 in shares of £12 each. In addition there are Debentures in issue to the extent of £140,000. At the end of 1913 the reserve was £105,000, but, as indicated, it has since been brought up to £125,000. The Company lumps together debts owing and reserves for insurance and contingencies. At the end of last year this item was shown as £1,468,510. On the other side of the accounts the amounts owing to the Company were £495,260, while other assets consisted of cash amounting to £71,818, property, stocks, &c., standing at £713,991, and sundry securities valued at £1,079,723. Herewith we append a synopsis of the balance sheet at the end of last year:—

Balance Sheet as at December 31, 1913.

LIABILITIES.		£
Capital—		
Shares at £12 each		448,200
Debentures		140,000
Debts owing by Company and reserves for insurance and contingencies		1,468,510
Reserve fund		105,000
Profit and loss		199,080
		2,360,800
ASSETS.		£
Property, machinery, plant, &c.		713,991
Owing to Company		495,269
Cash at bankers and in hand		71,818
Sundry securities		1,079,722
		2,360,800

It will be seen that the sundry securities form the major portion of the assets, and it would be desirable to have a little further information as to this item. Assuming the investments bring in an average of only 5 per cent., this would account for nearly half the net profits shown. The £12 share was recently quoted at 38½, and on the basis of last year's distribution of 20 per cent. a yield of £6 5s. 5d. is forthcoming.

BRITISH THOMSON-HOUSTON.

This Company suffered very severely during the depression prevailing a short time ago in the electrical industry, but during the past four years a substantial recovery has occurred, and the profits for 1913 were of a satisfactory character. The Company ranks amongst the largest of electrical engineers and contractors in this country. It was formed in 1896, and by an agreement of March 1897 with the General Electric Company of New York the British Thomson-Houston purchased all the patent rights of the Thomson-Houston system for the United Kingdom and the British possessions in Europe. The capital at the present time is as follows:—

4½ % Debenture stock	190,455
4 % Cum. Pref. shares, £10 each (fully paid)	400,000
Ordinary shares, £10 each (fully paid)	400,000
Total	990,455

while the following shows the profits for each year since 1910:—

	12 Mos. to Dec. 31, 1913	12 Mos. to Dec. 31, 1912	9 Mos. to Dec. 31, 1911	12 Mos. to Mar. 31, 1911	12 Mos. to Mar. 31, 1910
	£	£	£	£	£
Profit	121,508	39,761	29,772	15,295	20,154
Depreciation	54,100	27,996	18,702	5,971	9,638
Deb. and loan interest	53,054	8,781	6,691	8,921	9,222
Net profit	14,354	3,034	4,379	403	1,294
To reserve	10,000	—	—	—	—
Goodwill written off	—	—	—	—	1,046
Preliminary expenses, &c. written off	—	1,825	—	—	—
	4,354	1,209	4,379	403	248
Brought forward	8,590	7,381	3,002	2,599	2,351
Carried forward	12,944	8,590	7,381	3,002	2,599

Some very large contracts have been carried out by the Company, including electrical equipment of a large portion of the trains on the railways controlled by the Underground Electric Railways of London, and its various tube railways, while other companies supplied are the District Railway, the Central London Railway, and the North-Eastern Railway. A considerable amount of attention has also been devoted to the manufacture of apparatus for power purposes, such as motors, turbines, &c., while a recent development is that of the manufacture of electric lamps. These, of course, are merely suggestions of the largest and most important of the manufactures of the Company, and in general it may be said that it is splendidly equipped to cope with all orders for all kinds of apparatus manufactured under the generic title of electrical engineering. The works at Rugby are amongst the best of their class, and the Company is very well situated to take advantage of any expansion in trade from whatever cause it may arise. The general position may be seen from the following synopsis of the balance sheet of last year:—

Balance Sheet as at December 31, 1913.

LIABILITIES.		£
Share capital—		
Ordinary shares, £10 each		400,000
4 % Cum. Preference shares, £10, fully paid		400,000
		800,000
4½ % Debenture stock		190,455
Interest		2,857
Loan—secured by deposit of part of the shares <i>per contra</i>		42,010
General Electric Company of New York		992,829
Sundry creditors, retentions, &c.		183,454
Profit and loss		12,944
		2,229,549
ASSETS.		£
Goodwill, patents, and licences at cost		86,512
Investment in patent owning Company		64,000
Cost of Rugby, Coventry, and Willesden factories		834,069
Shares and Debentures in lighting-traction and other companies		138,500
Office furniture and equipment of storerooms		13,894
Apparatus, supplies, meters, patterns, &c.		555,580
Sundry debtors, retention moneys, &c.		431,933
Cash at bankers		55,012
		2,229,549

The Company is connected with the General Electric Company of America, which is the most important concern of its kind in the world; and, with the experience of the large American concern at its disposal, there is every reason to anticipate a prosperous future for this Company. In so far as British investors are concerned interest is limited to the Debenture stock, a recent quotation for which is 93.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.—Interim dividend for half-year at rate of 12 per cent. per annum, tax free.

EASTERN TELEGRAPH COMPANY.—Dividend at the rate of 3½ per cent. per annum, less income tax, on the Preference stock for quarter, and a second quarterly interim dividend of 1½ per cent. on Ordinary stock, free of income tax.

EASTERN EXTENSION, AUSTRALASIA AND CHINA TELEGRAPH COMPANY.—Interim dividend for the quarter of 2s. 6d. per share, free of income tax.

MERCANTILE BANK OF INDIA.—Interim dividend on "A" and "B" shares for the half-year at rate of 8 per cent. per annum, tax free.

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CALEDONIAN

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FIRE. LIFE. EMPLOYERS' LIABILITY.

PERSONAL ACCIDENT AND ILLNESS. BURGLARY.

HEAD OFFICE—19 GEORGE STREET, EDINBURGH.

LONDON { 82 KING WILLIAM STREET, E.C.
OFFICES { 14 WATERLOO PLACE, PALL MALL, W.

Insurance Notes.

CENTURY INSURANCE COMPANY, LIMITED.

THIS Company was established in Edinburgh in 1885 as the "Sickness and Accident Assurance Association" for the purposes indicated in that designation. Life business was commenced in 1898, and the name was changed to the "Century" in 1901. Fire and burglary insurance departments were opened in 1904, and the operations now include most descriptions of insurance except marine. The Company has been ably managed and financed, and in a comparatively short time for an institution of the kind has obtained a considerable business in all its sections, and attained a position of real importance in the insurance world. The results to shareholders must be considered by them as exceedingly satisfactory, for the dividend in respect of the year 1913 (as for the former year) is at the rate of 3s. 3d. per share of £4 10s., with 10s. paid, representing 32½ per cent. on the paid-up capital, which only amounts to £35,000; and it appears to have been more than earned from interest without encroachment on trading profits. It is true that some of the shares were issued at a considerable premium, which was utilised in strengthening the reserves; but even in these cases the results have proved very remunerative.

A quinquennial valuation of the life department, made at the close of 1912, on a 3 per cent. and net premium basis, resulted in the declaration of reversionary bonuses on participating policies at the handsome "compound" rate of 30s. per cent. per annum over the quinquennium. Following this excellent declaration an increased new life business is reported for 1913, the sums assured by policies issued in that year, less reassurances, amounting to £346,962, as compared with £311,259 in 1912. The total net life premium income was increased by £11,792 to £99,112, in addition to which the sum of £29,566 was received as consideration for new annuities granted. Expenses, inclusive of commission, particularly looking to the large proportion of new business, were exceptionally

moderate. If allowance be made for the cost of the annuity business, the expense ratio, as compared with the premium income, is under 10 per cent. The incidence of mortality appears to have been favourable, the claims by death, involving payments of £11,706, being reported as "well within expectation." The life and annuity funds, through the year's operations, were increased by £116,107 to £710,164, inclusive of special reserve of £10,000. The net interest yield realised, after deduction of income tax, seems to have been about £4 4s. per cent., as compared with the rate of 3 per cent. assumed for valuation purposes. In all respects, therefore, the experience in the first year of a new life quinquennium points to good bonus-earning results.

The main figures of the 1913 accounts in regard to the other sections of the Company's business are as follows:—

Department	Net Premium Income £	Funds at End of Year (Excluding Provision for Outstanding Claims) £	Profit, Transferred to Profit and Loss Account £
Fire	92,073	101,829	3,100
Accident and general ...	16,767	43,707	4,355
Employers' liability ...	21,612	18,645	3,705
Capital redemption ...	3,196	14,209	—
Sickness — ...	27,396	154,222	2,341
	161,044	332,612	13,501

Compared with the corresponding figures for 1912, the fire premium income is increased by £19,176, the accident and general premium income by £159, and the sickness premium income by £718. On the other hand, the employers' liability premium income is decreased by £240, and the capital redemption premium income by £589. The report states that the slight reduction in premiums in the employers' liability account is consequent upon the cancellation of some undesirable business; while that in the capital redemption section is attributable to the maturing of certain liabilities. The profit transferred to profit and loss account in the fire, accident and general, and employers' liability departments represents the surplus of premiums over losses and expenses, after adjustment of the reserve for unexpired risks at the end of each year on the basis of a specific provision to the extent of 40 per cent. of the premiums. An increased profit as compared with 1912 is shown in all these sections. The profits in the life department, being quinquennially computed, are not taken into the account in respect of the year 1913.

To the trading profits of £13,501 above shown have to be added earnings from interest and fees, less income tax, appearing in the profit and loss account to the amount of £12,067, and from the total of £25,568 has to be deducted £2,769 (representing expenses not charged to other accounts, £1,200; agency balances written off, £69; and office properties written off, £1,500), leaving £22,799 as the net disposable profit. The distribution of the dividend in respect of 1913 requires £11,375, and the net result is that the balance carried forward in profit and loss account after provision for full year's dividend is increased, as compared with the previous year, by £11,424 to £19,099. Thus the amount of the profits, apart from those accruing in the life section, were just about twice the sum required for the dividend, indicating good dividend prospects for the future, especially looking to the unusual strength of the departmental reserves.

The assets as shown in the balance sheet on December 31, 1913, amounted to £1,149,906. Depreciation in Stock Exchange securities, comparing book prices with market values, is reported to have existed on that date to the extent of 1.24 per cent. of the funds, but it is stated to have been fully covered by special and contingent reserve funds; while at the date of the issue of the annual report on February 26, 1914, the depreciation referred to is said to have "practically disappeared."

BRITANNIC ASSURANCE COMPANY, LIMITED.

Ordinary life as well as industrial business is transacted by this Company from headquarters in Birmingham. In both these sections the development during 1913 appears to have been satisfactory.

In the ordinary branch 9,690 new policies were issued, assuring £474,100, as compared with 8,177 policies for £382,597 in 1912. The average amount of each new policy, it will be seen, was about £50. The total ordinary life premium income was increased by £6,726 to £244,199, the expense ratio apparently being about 14.6 per cent. Ordinary claims aggregated £135,564, of which £61,951 arose by death and £73,613 by survivorship. After the transfer of £12,500 to investment reserve fund, the ordinary life assurance fund (increased through the year's operations by £126,237) amounted on December 31, 1913, to £1,509,240, and the net interest yield in this section after deduction of income tax seems to have been about £4 8s. 9d. per cent. As the result of the annual valuation a bonus of 32s. per cent. in reversionary form is declared on participating ordinary policies.

The industrial premium income (increased by £21,068) amounted in 1913 to £1,029,009. Claims for £514,148 were paid (£400,270 arising by death and £113,878 by survivorship), and payments on surrendered policies amounted to £13,915. The expense ratio—42.1 per cent.—is slightly higher than last year, but compares favourably with that shown by the majority of industrial life offices. After transfer of £32,000 to the investment reserve fund, the industrial life fund, increased by £66,396, amounted at the close of the year to £1,789,865. A bonus is declared at the rate of 5 per cent. on the sums assured by industrial policies of five years' duration and upwards, excepting in the case of certain policies effected prior to 1890, where additions had already been made under the terms of those contracts.

The sinking and capital redemption account shows premiums of £5,988, and a relative fund at the close of the year of £34,646.

Total assets on December 31, 1913, as shown by the balance sheet amounted to £3,562,167. The directors certify that in their belief these assets are in the aggregate fully of the value stated less the investment reserve funds, which now amount to £120,000. The staff pension fund, increased by £5,000, amounts to £20,000.

THE CHEMICAL INDUSTRY.—II.

LAST week we dealt with the general position of this important industry, indicating the great opportunity afforded chemical manufacturers by reason of the stoppage of the German trade and the decision of the Board of Trade to temporarily annul German patents, which will have the effect of affording an opportunity to manufacturers to take up several new lines of business, such as, for example, the manufacture of aniline dyes—a product of British invention, but which, through dilatoriness on our part, was allowed to pass into the hands of Germany. We also showed the strong position of the most important chemical manufacturing concern in this country. To-day we deal with another company.

CASTNER-KELLNER ALKALI.

During the past seven years this Company has enjoyed a time of very great prosperity. Its earlier history was not quite so satisfactory, though on no occasion has a smaller dividend than 4 per cent. been paid. It dates back to 1895, when it was started to work the Castner-Kellner patents in the British Empire, except Canada, for the manufacture of caustic alkali and bleaching powder by means of electrolytic decomposition of salt. In 1900 the Company took over another business, whereby the basis was broadened by adding other chemical manufactures, the

chief production of the acquired business being the manufacture of sodium. The Company was hit by the South African war, which was responsible for practically stopping the exports of sodium from this country, and afterwards by a period of rate-cutting, which ensued from the breaking up of an international agreement for the maintenance of prices. The following affords a bird's-eye view of the profits secured from 1901:—

		Gross Profits £	Net Profits £	To Reserves £	Divi- dend %
Year to Sept. 30, 1913	...	177,189	163,977	55,000	22½
" " 1912	...	181,819	168,390	80,000	20
" " 1911	...	183,399	170,063	80,000	20
" " 1910	...	169,076	155,569	77,500	17½
" " 1909	...	137,597	124,842	60,000	14
" " 1908	...	118,948	106,065	42,500	12½
" " 1907	...	120,320	107,067	30,000	12
Six months " 1906	...	37,844	30,975	15,000	7
Year ended March 31, 1906	...	75,560	58,750	30,000	6
" " 1905	...	58,890	42,204	15,000	4
" " 1904	...	49,488	31,645	15,000	4
" " 1903	...	67,117	48,592	15,000	8
" " 1902	...	74,102	48,323	15,000	6
" " 1901	...	50,142	30,200	10,000	5

The very prosperous time enjoyed by the Company since 1907 is amply reflected in the above statement, and it may be pointed out that since the earlier year the dividends have risen from 12 per cent. to 22½ per cent. In the following statement we show the manner of distributing the profits for the past six years:—

	12 Months to Sept. 30—1913	1912	1911	1910	1909	1908
Gross profits ...	£ 177,189	£ 181,819	£ 183,399	£ 169,076	£ 137,597	£ 118,948
Sundry expenses ...	4,841	4,757	4,546	4,521	3,412	3,420
	172,348	177,062	178,853	164,555	134,155	115,528
Deb. interest, 4½ % ...	8,371	8,682	8,790	8,996	9,313	9,443
	163,977	168,380	170,063	155,569	124,842	106,065
Dividend ...	102,094	90,000	90,000	78,750	63,000	58,250
	(22½ %)	(20 %)	(20 %)	(17½ %)	(14 %)	(12½ %)
	61,883	78,380	80,063	76,819	61,842	49,835
Depreciation & reserve	55,000	80,000	80,000	77,500	81,371	48,896
	6,883	—1,620	63	—681	471	940
Brought forward ...	10,602	13,222	14,159	15,840	15,369	14,420
Carried forward ...	17,485*	11,602	14,222*	15,159*	15,840	15,369

* Less sum voted to directors.

In addition to the large dividend of 22½ per cent. paid for last year, the shareholders benefited also by a special bonus, inasmuch as it was decided to use the general reserve fund and a part of the premium secured by the issue of 50,000 new shares at a premium of £2 per share for the purpose of issuing at par one fully-paid new share in respect of every two shares held. As there were 500,000 shares issued this meant a new issue of 250,000 shares, bringing the Ordinary share capital up to £750,000. To show the position of the Company at September 30 last we give the following:—

Balance Sheet as at September 30, 1913.

LIABILITIES.		£
Capital subscribed :		
Shares ...	...	462,500
4½ % 1st Mort. Deb. Stock ...	...	188,168
Share premium account ...	...	36,864
Sundry shareholders for instalments paid in advance ...	...	28,951
Creditors, &c. ...	...	69,187
Depreciation reserve account ...	...	322,500
General reserve ...	...	177,500
Profit and loss ...	...	134,079
		1,409,749
ASSETS.		£
Purchase of patents, land, buildings, &c. ...	...	972,935
Sundry debtors ...	...	45,236
Stock of raw and manufactured materials ...	...	51,097
General reserve account investments ...	...	177,500
Other investments ...	...	40,712
Office furniture ...	...	520
Bills receivable ...	...	2,293
Cash at Bankers ...	...	119,456
		1,409,749

The depreciation reserve, shown above as £322,500, is now £355,000. The general reserve, which was increased by an allocation from last year's profit to £200,000, has, as already been stated, been used

for the purpose of the special bonus distribution. The portion of the share-premium account not required for the purpose of the bonus, amounting to about £49,000, remains available for the purpose of building up again the general reserve. It will be seen that the patents, land, buildings, plant, machinery, and other assets are valued at £972,935. If the depreciation reserve fund is deducted from this amount it will be brought down to £617,935. The general reserve was represented by investments valued at cost at £177,500, while there were other investments standing at £40,712. As the Chairman indicated at the last annual meeting, it is not to be expected that the distribution rate of 22½ per cent. for last year will be maintained for the current year, and probably the Company would not distribute more than the sum distributed last year. This would suffice to pay 15 per cent. on the enlarged capital. The interim dividend was fixed at 5 per cent., as against 9 per cent. twelve months previously. There is every probability, therefore, that the final distribution will be 10 per cent., making the 15 per cent. for the whole of the year. It is probable, however, that the trade for the twelve months ending 30th inst. will be on a smaller scale than that for the previous twelve months. Our exports of bleaching powder, for example, for the first eight months of 1914 were only 367,959 cwt., as compared with 491,710 cwt. for the corresponding period of 1913. The exports of soda compounds, a large proportion of which is caustic soda, were 4,297,292 cwt., as compared with 4,915,329 cwt. for the first eight months of 1913. The Company is very well managed, however, and steps have been taken to place it in such a position that the cost of production is brought down to the lowest possible figure. Hence it is that the Company is well placed to meet competition, and at the same time it is able to take advantage of any trade expansion, so that, though the profits for the twelve months to September 30, 1914, are scarcely likely to be as large as those for the previous year, nevertheless they should be more than sufficient to provide for a 15 per cent. dividend, and the general outlook for the forthcoming twelve months is for a larger trade and bigger profits again. The £1 Ordinary share is quoted at 2½, and on the basis of a 15 per cent. dividend the yield afforded is about 6½ per cent.

Correspondence.

LANCASHIRE COTTON INDUSTRY.

To the Editor of THE STATIST.

SIR,—In your article on the Lancashire Cotton industry in the issue of the 5th instant you say that Lancashire spinners are very dissatisfied at the state of affairs in Liverpool, and that a joint committee has been formed of representatives of the Federation of Master Cotton Spinners and the Manchester Cotton Association to deal with the matter. In reply I beg to state that no complaint whatever of Liverpool's action has reached the board of directors; on the contrary, it is generally acknowledged that the measures adopted were for the benefit of the trade; and I would further add that until the Liverpool market can be opened for trading representatives of the Federation and Liverpool Cotton Association are consulting together as to the regulation of prices, &c.

Yours faithfully,

LOUIS CAPEL, *President.*

Liverpool Cotton Association, Limited.

Cotton Exchange, Liverpool.

September 8, 1914.

In reply to the foregoing the writer of the article in last week's STATIST observes:—

Since the cotton futures market in Liverpool was closed and business resumed on the spot under certain

conditions, spinners in Manchester have complained of the terms on which the Liverpool Cotton Association would allow business to be done. This is quite common knowledge on the Manchester Exchange. On Thursday, September 3, a special meeting of the Emergency Committee of the Master Cotton Spinners' Federation was held in Manchester, when the position was discussed. In view of the situation, it was decided that the President and one of the Vice-Presidents should visit Liverpool on the following day (Friday) and present the case of spinners. It was then agreed that representatives of spinners should meet the Liverpool Cotton Association from time to time as to the regulation of prices. It is quite evident from these negotiations "that Lancashire spinners are very dissatisfied at the state of affairs in Liverpool." I do not wish to do the Liverpool Cotton Association any injustice, but the facts of the matter speak for themselves and it is really immaterial "that no complaint whatever of Liverpool's action has reached the board of directors."—[ED. STATIST.]

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- " 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain—accepted by France and Italy.
- " 28. Austria-Hungary declares war against Serbia.
- " 30. Partial mobilisation in Russia.
- " 31. General mobilisation in Russia.
Germany declares state of war.
Italian declaration of neutrality.
- Aug. 1. Germany declares war against Russia, also invades Luxemburg.
- " 3. German ultimatum to Belgium.
- " 4. Mobilisation of British Army.
War declared between Great Britain and Germany.
British Government undertakes insurance of British shipping during war.
- " 5. Lord Kitchener appointed Minister of War.
Germans repulsed at Liège.
Roumania to remain neutral.
- " 6. House of Commons vote of credit for 100 millions.
Army to be increased by half a million of men.
Recruitment of additional 100,000 men commences.
Austria-Hungary declares war against Russia.
Government rate of war insurance reduced to 4 guineas per cent.
- " 8. German Togoland seized by British.
- " 10. France declares war on Austria-Hungary.
Germans enter Liège. Forts intact.
Montenegro casts in her lot with Serbia.
- " 11. German Army mainly operating through Belgium.
- " 12. British Declaration of War against Austria.
German war vessels *Goeben* and *Breslau* seek refuge in the Dardanelles.
- " 17. Japanese ultimatum to Germany.
Greece protests against Turkish movements.
- " 19. Advance in force of Germans in Belgium and of Russians in East Prussia.
- " 21. German occupation of Brussels.
- " 22. Confirmation of Servian successes against Austria.
- " 23. Japan at war with Germany. Russian successes in East Prussia.
- " 24. Fall of Namur.
- " 25. Battle of Charleroi and retirement of Allies.
- " 27. Further retirement of Allies towards Paris. Continued concentrated German onslaught on British contingent.
British force landed at Ostend.
- " 28. Naval engagement off Heligoland.
- " 30. German check to Russian advance in Prussia.
Germans said to have withdrawn reserves from Belgium to Russian front.
- Sept. 3. French Government transfers to Bordeaux. German front close to Paris.
Russian double defeat of Austrians near Lemberg.
Active recruiting of second 100,000 men.
- " 4. Mr. Asquith's speech at the Guildhall.
- " 5. Great Britain, France, and Russia: Convention of joint action when peace terms come to be considered.
Renewal of unrest in Turkey.
- " 8. Check to German investment of Paris.
- " 9. Announcement of 70,000 Indian troops for the front.
- " 10. King's message to the Empire.
German right wing thrown back and reinforcements called in from Belgium.

See also Chronology in Stock Exchange Section.

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THE WHEAT POSITION.

THE war has now lasted about six weeks, and it will be no doubt interesting to compare present prices with those ruling just before the commencement of hostilities, also with those at the corresponding date last year:—

	End of July 1914	September 10, 1914	September 10, 1913
English wheat at Mark Lane...	35/0 to 38/0	39/0 to 43/0	33/0 to 36/0
No. 1 Northern Manitoba ...	38/6	49/6	38/6
Choice white Karachi parcels—			
September-October ...	37/9	48/9	37/3
Australian cargoes afloat ...	37/9	47/3	36/6
No. 2 (hard winter) parcels, September-October shipment	33/3	42/3	34/0

It will be seen by the above figures that English wheat has only risen 5s., whilst foreign descriptions are 9s. to 11s. dearer, the reason being that English wheat was very scarce at the end of July, but with the advent of the new crop is now in liberal supply. The most important advance has been in Manitoban, this being the result of the disappointing yield of this year's Canadian wheat crop. Up to the early part of July there were fair prospects of Canada having about an average crop, but the subsequent long spell of heat and drought caused a considerable deterioration, and the latest estimate, cabled over a few days ago, is for a yield about 70,000,000 bushels smaller than last year. The quality also is distinctly inferior to last year's splendid wheat, and a large proportion of the crop is expected to grade No. 2 and below. The total quantity of wheat inspected at Winnipeg in the twelve months ended August 31 amounted to 154 million bushels, against 139 million bushels in the previous season, whilst the proportion grading No. 1 Northern Manitoba was no less than 60 per cent., against only 11 per cent. in the previous year. The estimated surplus from this year's Canadian crop is about 80 million bushels, but as prices are certain to be very attractive and remunerative to farmers for a considerable time to come, it is quite possible that the shipments will exceed this total, as no doubt there were fair stocks of old wheat in farmers' hands at the end of the season.

The Washington Bureau report gives the yield of winter wheat in America at 675 million bushels and of spring wheat at 221 million bushels, or a total of 896 million bushels, against 763 million bushels last year. The present estimate for spring wheat is 19 million bushels less than a month ago, but the grand total still shows the very large increase of 133 million bushels over last year's crop, and this is an extraordinarily good result considering that last year's crop was a record one. The home consumption is between 600 and 610 million bushels, but in view of the much higher prices now ruling, and the probability that prices will keep at a high level in the future, it is quite possible that this year it will not exceed 600 million bushels, even after allowing for some wheat being used for feeding purposes. Invisible stocks in farmers' and dealers' hands at the end of the season were fairly liberal, and although these reserves would have been held firmly and kept in the country at a moderate or low level of prices, it will be quite a different matter under the present circumstances, when there is every prospect of values being on the average over 10s. per quarter higher than in recent years. America, if wanted, could no doubt export some 40 million quarters of wheat during the present season, and will probably do so if the next crop, now being sown in the winter wheat States, makes a favourable start, and the winter be favour-

able. The yields of winter and spring wheat for the past 11 years have been as follows:—

	Winter Wheat Bushels.	Spring Wheat Bushels.	Total Bushels.
1914	675,000,000	221,000,000	896,000,000
1913	523,561,000	239,819,000	763,380,000
1912	399,919,000	330,348,000	730,267,000
1911	430,656,000	190,682,000	621,338,000
1910	434,142,000	200,979,000	635,121,000
1909	403,027,000	280,823,000	683,850,000
1908	437,908,000	226,694,000	664,602,000
1907	409,422,000	224,615,000	634,037,000
1906	492,888,000	242,373,000	735,261,000
1905	428,481,000	273,498,000	701,979,000
1904	332,935,000	219,000,000	551,935,000
10-year average	429,000,000	242,000,000	671,000,000

With the largest crop of wheat on record, very high prices for same in prospect, and remunerative prices obtainable for all other grain, American farmers have indeed an excellent financial outlook in front of them; whilst as regards Canada, the deficiency in the yield of wheat and oats will, in a great measure, be counteracted by the much higher prices realised.

As mentioned previously, prices have advanced appreciably during the past six weeks, and, although there may be reactions from time to time, a decline in values is hardly probable while the United States and Canada remain the only shippers of importance. There is no doubt that India will ship much more wheat at the higher prices now ruling, and likely to rule, than would otherwise have been the case, but the last crop was considerably smaller than in either of the past four years; and the surplus for export is only a moderate one. There is very little wheat left in Argentina, and, moreover, exports from that country have been prohibited; Australia has only a moderate surplus now left, and is holding same for very high prices. The Roumanian crop has proved to be a very disappointing one, and the quantity of wheat available for export is smaller than for years past. The only country, apart from the United States and Canada, in a position to export a considerable quantity of wheat during the next four or five months is Russia. At present Russia is not exporting, mainly, no doubt, owing to fears that there may be trouble with Turkey, in which case the straits of the Dardanelles would be closed, whilst shipments cannot take place from the Baltic, as the German fleet would prevent same. If, however, Russia should suddenly come out as an exporter in quantity, the effect of the competition would probably be that America would be more disposed to meet buyers, and this might result in a decline, if only temporarily, in prices.

The extent to which Europe has been dependent on America and Canada for its wheat supplies so far this season is shown in the following tabular statement, which gives the exports in the five weeks ending September 3, compared with the two previous seasons:—

	1914 Qrs.	1913 Qrs.	1912 Qrs.
U.S. and Canada	4,700,000	4,205,000	1,820,000
Argentina	10,000	140,000	640,000
Russia	210,000	1,400,000	1,255,000
Danube	25,000	195,000	980,000
India	235,000	835,000	870,000
Australia	—	205,000	205,000
Sundries	50,000	180,000	155,000
Total	5,230,000	7,160,000	5,925,000
Proportion destined for the U. K.	3,075,000	2,710,000	2,515,000

No less than 90 per cent. of the total shipments has been furnished by North America, and it is most fortunate for Europe that the United States has such a magnificent crop this year. The other outstanding feature is the very large proportion taken by the United Kingdom; in fact, the exports to the United Kingdom are in excess of either of the two previous years, although the total shipments to all countries are appreciably smaller.

As a result of these liberal shipments to the United Kingdom, and fair deliveries by English farmers,

our stocks have increased from 1,870,000 qrs. on August 1 to 2,525,000 qrs. on September 5, and there is every indication that stocks will go on increasing in the near future. It is sincerely to be hoped that such will be the case, and that as much wheat as possible will be accumulated, as later on, without a doubt, other European countries will use every endeavour to obtain a larger proportion of the total exports than has hitherto been the case. It is quite evident, however large the quantity may be that North America can spare, that it will not be nearly sufficient to satisfy the requirements of Europe; whilst it must not be forgotten that, apart from about 69 million quarters wanted by Europe, 10 to 11 million quarters will be required by non-European importing countries. The quantity of 69 million quarters for Europe, however, includes 8 million quarters for Germany, which, if the war lasts as long as a good many people fear, will have to be deducted, as Germany has no means of obtaining the wheat required from foreign sources. Russia has only harvested a moderate crop this year, but stocks of old wheat are generally believed to have been liberal at the commencement of the new season, and that country can spare a considerable quantity of wheat after satisfying home requirements. Russia, as is the case with all other countries, must be desirous of obtaining as much money as possible in view of the immense expenditure caused by the war. It would, therefore, appear pretty certain that sooner or later Russia will come out as a fairly large exporter to all countries except Germany and Austria-Hungary, especially when it is considered that prices are so tempting, more so than for a long time past. It is earnestly to be desired that Russia will soon commence exporting freely, as at present North America completely dominates the situation, and it is not at all surprising that American farmers, as would also be the case with farmers of other countries if similarly circumstanced, wish to get as much money for their wheat as possible. So long as there is no very serious competition from other exporting countries, it is only to be expected that the prices asked for American wheat will be gradually raised, unless the demand falls off considerably. This is not very likely to be the case, as although the shipments to the United Kingdom have been more than equal to the requirements, those to other countries, excepting France, have been very small indeed. Later on Italy, Belgium, Holland, and other countries will be in want of fair quantities of foreign wheat, and it will also be necessary for the United Kingdom to continue importing freely all through the season.

The above remarks apply more particularly to the next five or six months, as later on the results of the Argentine and Australian crops may have some effect on prices. With regard to the Argentine, the weather was very wet during the greater part of the usual sowing time, but, later, climatic conditions improved considerably, and the latest advices received by cable state that present prospects, on a smaller area than last year, are quite favourable. In some parts of Australia rain is urgently wanted, and the present crop outlook is not so favourable as last year. It is too late now for either country to increase the acreage under wheat, but it is reported that in Australia the area actually sown is rather larger than last year.

The weather in Europe for some weeks past has been very favourable for harvesting the crops, and in several countries the flour-producing properties of this year's wheat are better than in either of the past two years, whilst its condition is such that the wheat can be used at once. Some damage has been done to the crops in France and Belgium in those districts where the war has been raging, but this is not believed to be very serious. What may, however, exercise a strong effect on prices next year, if the war lasts for any length of time, will be the impossibility of sowing the full average area to winter

wheat and rye in France, Belgium, Germany, Austria-Hungary, and Russia.

Practically the whole of the rye and, with the exception of Russia, nearly all the wheat are sown in the autumn. In Russia spring wheat forms almost two-thirds of the total crop. Apart from any shortage caused by so many men being engaged in war, it will be impossible to sow at all in those districts where fighting is actually going on. The deficiency in the area sown in the above-mentioned countries may be partly made good by increases in the United States, Italy, India, and England. The high level of prices likely to rule for wheat for a long time to come offers every inducement to those countries in a position to do so to increase the acreage as much as possible, and according to the latest reports from America that country intends, provided the weather be favourable, to sow more winter wheat even than last year. Some other countries may also increase the acreage under wheat, but it is much to be feared not sufficiently so to nearly make up for the deficiency in those countries where war is proceeding. Unless, therefore, the yield per acre next year be exceptionally large, the total outturn is likely to be appreciably smaller than this year.

LANCASHIRE COTTON INDUSTRY.

ALL engaged in the cotton industry of Lancashire have been much interested this week in the Board of Trade returns for August. On the whole, the extent of our foreign trade was rather larger than expected, but, of course, much smaller exports are recorded compared with last year. The following table gives the shipments in piece-goods for the last three years:—

		August Yds.	Eight Months ended August 31 Yds.
1914	... ..	313,074,600	4,408,103,000
1913	... ..	579,546,500	4,801,364,400
1912	... ..	641,782,200	4,553,502,600

The chief increases so far this year on last are: Turkey (34,866,000 yds.), China (25,867,000 yds.), Greece (21,507,000 yds.), Roumania (16,038,000 yds.), United States (13,824,000 yds.), Australia (11,222,000 yds.). The principal decreases are: Bombay (118,763,000 yds.), Bengal (103,315,000 yds.), Argentine Republic (73,197,000 yds.), Brazil (41,614,000 yds.), Burmah (27,155,000 yds.), Colombia and Panama (25,531,000 yds.).

In yarn there is also a marked decline in the takings of foreign countries, as will be seen from the following table:—

		August Lb.	Eight Months ended August 31 Lb.
1914	... ..	8,046,500	141,327,300
1913	... ..	15,998,100	139,027,300
1912	... ..	20,870,200	166,099,800

The principal increases so far this year on last are: Bulgaria (3,051,000 lb.), Roumania (2,689,000 lb.), Netherlands (2,415,000 lb.), Bengal (1,500,000 lb.), Bombay (642,000 lb.), United States (117,000 lb.). The chief decreases are: Austria-Hungary (1,372,000 lb.), Germany (1,092,000 lb.), Canada (859,000 lb.), Argentine Republic (657,000 lb.), Russia (654,000 lb.), Belgium (404,000 lb.).

It was quite expected that Lancashire textile machinists would be seriously affected by the European war, and the following table shows that our customers abroad are taking much less than last year:—

	August	£	Eight Months ended August 31	£
1914	{ Spinning £213,305 Weaving... 55,341 Other ... 33,050 }	301,696	{ £3,241,067 1,066,676 }	4,871,263
1913		707,207		5,416,485
1912		547,855		4,477,959

The principal increases so far this year on last are: China (£108,146), British East Indies (£74,778), United States (£39,529). The chief decreases are:

South America (£222,306), Germany (£130,670), Netherlands (£75,473), France (£66,191).

There have been no indications during the week of any early revival in the demand for yarn and cloth. Engagements are steadily running down, and no fresh orders of weight seem to be in sight. A good deal of attention is now being given to the raw cotton situation. Representative spinners have had an interview with the Liverpool Cotton Association, and any changes will be mutually arranged. It is of interest to note that American spot quotations last Tuesday were reduced 20 points, and Egyptian descriptions lowered 15 points. January-February deliveries in middling American are being arranged at 5.70d., whilst in fully good fair brown Egyptian the figure is 8.20d.

On Tuesday last the Census Bureau of the United States Government published its first report of ginning figures for the new crop, the total amount ginned up to September 1 being given as 475,000 bales, as compared with 794,000 bales last year and 731,000 bales in 1912. The figures published are the smallest for several years past, and it looks as though growers are keeping supplies back. It should be said that statistics of this kind early in the season are very little to go by, the amount largely depending upon whether the growth is early or late.

AMERICAN COTTON.

Thursday, September 10, 1914.

BUSINESS in the Cotton market is still conducted under artificial conditions, but though trading is restricted, there are indications of some little revival in the demand for spot cotton. The approach of the new crop renders it difficult to maintain the recent level of prices, and accordingly the directors, acting in concert with the Master Spinners' Federation, have reduced the price of January-February to 5.70d. and spot middling to 6d. It is very desirable that as soon as possible prices should be reduced to a point at which open trading may be permitted; but we hope the authorities will move cautiously in this matter, and not by unduly precipitate action endanger the result of their past month's labour. It is imperative in the interest of trade generally that the change from the old-crop to the new-crop level of price should be effected with the minimum of financial disturbance.

New-crop cotton in America has been quoted at very low figures, but the difficulties encountered in arranging business have been so great that the resulting trade has been very limited. Exchange is difficult to negotiate and at times quite unsaleable. Freight is scarce and difficult to secure, and altogether it does not seem probable that any weight of imports will be received here for some weeks. Our latest cables report that prices in the South are hardening, and that holders are asking 20 to 30 points advance over their quotations of a few days

THE BALDWIN LOCOMOTIVE WORKS

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ago, and that heavy rains in Texas have caused serious damage to the grade of early pickings.

With regard to the price of spot cotton in Liverpool, we think consumers lose sight of the fact that if normal conditions were prevailing their purchases would be based on September delivery, which in all probability would be running at a considerable premium over January-February. They can at present buy on the January-February basis, and with the exception of the higher grades buy at a very reasonable difference in futures. We still hold to the opinion that the spot price in Liverpool is not unduly high, taking all surrounding conditions into account. It is the only supply available for the immediate needs of spinners, and while spinners may in very limited quantities make cheap purchases of new-crop cotton to arrive about the end of October, until that time and even later the trade will be dependent on our local stock. There seems to be no valid reason why Liverpool holders should at present sacrifice their cotton now in warehouse because cotton is cheap in America, and may in two or three months' time move here in quantity.

SCOTTISH IRON AND STEEL.

THOUGH there is little change in the Scottish iron and steel trades within the last fortnight, makers have been engaged discussing and providing for the big development, which, if not immediately forthcoming, will make itself felt in the near future. It is significant that the makers of pig iron are laying in heavy stocks. There are now eight more furnaces in blast since the outbreak of war. Some of the leading producers had about six months' supply of ore in hand a month ago, and they have been able to maintain that margin while keeping their furnaces fully occupied.

With shipbuilding quietening down there is a corresponding absence of specifications. Still, enough home business is coming in to keep steelmakers moderately busy. But their hopes are fixed on the export trade. In this quarter prices, freight, and insurance continue to present difficulties which time alone will adjust. Australia and India are at present the main support of the export trade, and other areas are likely to compensate for the early closing of Canadian business and the falling off in Japan.

Where prices show any change at all they are in the producer's favour. From London comes the complaint that Scottish makers have increased their prices out of all proportion to the state of trade. Prices have certainly been raised against the shipbuilder to the extent of 25s. or 30s. a ton. But hematite pig iron has also increased in price by 12s. 6d. (from 62s. 6d. to 75s.) since war began, and it is of elementary knowledge in the trade that one and a half tons of pig iron produce only one ton of steel. Shipbuilders will also remember that the encouragement given by them to German and Belgian makers not long ago forced home producers to manufacture at a loss of 10s. to 15s. a ton. Plates are now selling at £7 2s. 6d. and angles at £6 17s. 6d., and even at these prices quotations are still about 15s. a ton cheaper than a year ago.

In view of the dissatisfaction which appears to exist in the South it is but fair to mention that the Scottish banks have acted wisely and well towards makers and builders, and industry in general. Few serious complaints have been made which are not capable of explanation. On the whole the Scottish iron and steel industries have emerged from the war crisis very well indeed, and the outlook is quite satisfactory.

LEAD.

THE first consequence of the war and of the scramble for lead which ensued from dealers and consumers, and also from Government buying, was to force up prices to about £24 for early delivery; but from this

giddy height there has been a reduction of about 25 per cent., and at the lower level the market does not look any too strong. The cause of the drop in the price was the plentiful supply of lead from abroad, partly diverted lead sent here to find a market now that Germany is shut up. It is possible that the overabundant supply weighing upon the market may be merely temporary, because there has been a wholesale interruption of operations in the Australian Broken Hill region and also in Spain, and the importance of these two districts as lead producers may be gauged from the following details of output. On the other hand, output in Mexico is getting slowly under weigh again:—

	1913	1912	1911	1910
	Metric Tons	Metric Tons	Metric Tons	Metric Tons
Spain	203,000	186,000	175,000	192,000
Australia	116,000	107,000	100,000	99,000
World's total ...	1,186,000	1,181,000	1,132,000	1,128,000

The lead trade is regulated by a Convention of German origin and management, and it comprises the chief producers of soft lead, including those of Australia and Spain. It is not to be supposed that British capital will continue any longer to be controlled in this way by Germany without a bold effort being made to render British interests free and independent. It is to be feared that sometimes the best interests of British industrial connections have in the past been obscured by too narrow a view being taken of national responsibilities. It is amazing that the German troops to-day should be firing lead produced by British capital and labour but the output of which is controlled by Germany. This laxity of national spirit and all that it involves must give place to a sterner feeling, and if needs be direct encouragement must be forthcoming to ensure the British handling and British control of British products. We are all right, as it happens, for an ample supply of lead, but things might have been otherwise. It is not the



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No. 353

fault of the German Convention that Britain's lead supply happens to be ample for the safeguarding of our interest in the field, but it is impossible that we can any longer tolerate the German domination of British national resources. There has been too much laxness in this respect, and it is both patriotic and expedient that this should be recognised.

MEETINGS.

CEYLON CONSOLIDATED RUBBER ESTATES, LIMITED.

The fourth ordinary general meeting was held on September 8 at the offices, 3 Queen Street, E.C., Mr. B. Wentworth Vernon, J.P., Chairman of the Company, presiding.

The Chairman, in moving the adoption of the report and accounts, said they had come to the end of their financial resources, and, as it was impossible to carry on a commercial undertaking such as theirs profitably and efficiently without ample means, the board had come to the conclusion that the best and wisest course to pursue was to raise sufficient funds to place the Company in not only a strong, but a secure, financial position. Before dealing with the scheme he would like to point out in reference to the past that the board had fulfilled and carried out all the obligations that they had undertaken when the Company was originally started. Shareholders had to grasp the fact that they had no money, save a trifle of £200 in the bank. It might be said that they had all the rubber to which he had referred, but he would explain that at least three months elapsed before rubber that was collected could be brought to market and sold. Their financial year began in March, and so far only five months of the current year had passed. The crop that they obtained from their trees was always very small in what were the summer months in England. The best crops were harvested in the months of October, November, December, January, February, and March. Their manager had warned them that quite 75 per cent. of the amount of rubber they were going to get for the current year would be obtained in that latter period. It was, of course, obvious that from that rubber they would get no money at all before June or July, because, as he had said, it took three months to market it. Then there was another factor. They had no certainty that the rubber sent home would ever reach England. The last consignment of rubber of 2,000 lb. they sent home was lying at the bottom of the sea, the ship that carried it having been sunk by a German cruiser. Of course, the rubber had been insured, and they would get the money eventually. All these things would give shareholders some idea of the risks they had to run in consequence of the war. Another factor was that the rubber market was closed. No public sales were being held, and it was quite impossible for them to tell whether they would succeed in selling their rubber at all, or what price they would get for it. They

were under an agreement not to allow the estate to be neglected. That was a danger which was hanging over them, and it was one of the principal reasons why, if they did not wish to lose their money altogether, it was imperative that they should raise fresh capital. They had borrowed £5,000, at 10 per cent. interest, in order to carry on the estate, as he had indicated would be necessary at the last meeting, and it was part of the arrangement that they should keep their estate in a perfect condition. It was essential, in their own interests, that the shareholders should assent to the reconstruction, because if they did not pay off the loan they would incur the fearful risk of the money being called in, and, if they were unable to provide it, the lender would be in a position to absorb the whole of the estate for £5,000—a position which was unthinkable and could not be allowed. Some shareholders might consider that a call of 6d. per share, such as they suggested, was rather in excess of any amount actually required. He did not think so, if only for the reason that he thought the Company should be provided with ample funds to meet all their obligations, and to permit them to emerge at the end of the war in a perfectly strong financial position. There was another reason, too, why they should make the assessment 6d. per share. Last year he explained that they had been strongly advised to plant as many cocoa-nut trees as possible on their estate. Everyone knew what an immense industry cocoa-nut growing had become, and how tremendously the demand for cocoa-nut oil was increasing. They had been able to get into touch with a company owning a very valuable cocoa-nut estate of 2,000 acres, of which 500 acres were already planted with very healthy trees two years old, while 300 acres were cleared for planting, and the trees all ready to put in. Mr. Price Long had inspected that estate, and had announced it to be absolutely the best land he had ever come across for the purpose. The war gave them the opportunity of purchasing that estate for £10,000, not in cash, but in fully paid shares. The board considered the opportunity one that should not be missed. If the shareholders consented to the reconstruction, the scheme would produce £20,000, of which £5,000 would go to repay the loan, while £3,000 would suffice to bring to maturity that portion of their estate which was immature at the moment, but which would come to perfect maturity in the course of the next three years. Then they would be left with £12,000, which would be ample not only to bring the cocoa-nut estate into perfect maturity in the course of a few years, but would also, probably, enable them to plant several hundred acres more.

Mr. George Bargate seconded the motion.

The resolution, on being put to the meeting, was defeated on a show of hands, 14 voting in favour and 16 against.

The Chairman thereupon demanded a poll.

The result of the polls was subsequently announced, the resolution for the adoption of the report and accounts being carried, and the resolutions for the reconstruction of the Company by the necessary three-fourths majority.

The proceedings then terminated.

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GEORGE B. HART, SECRETARY.

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ONE HUNDRED AND THIRTY-SECOND HALF-YEARLY REPORT OF THE COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.

(Incorporated in New South Wales.)

Presented to the Shareholders at an Ordinary General Meeting held at the Head Banking House, George Street, Sydney, on Friday, 24th July, 1914.

The Directors submit to the Shareholders a Balance Sheet showing the Liabilities and Assets of the Bank on the 30th June, 1914, and present the following Report:—

The balance at the credit of Profit and Loss Account, after deducting rebate on current bills and accrued interest on fixed deposits, reducing premises account, paying note and other taxes, and providing for bad and doubtful debts, as well as granting to the Officers a bonus on their salaries, amounts to	£207,112 15 0
Out of which the Directors recommend the following appropriations:—	
To Payment of a Dividend for the half-year at the rate of 10 per cent. per annum	£99,253 8 9
Transfer to Reserve Fund	50,000 0 0
Balance, being undivided Profit	57,854 6 3
	£207,112 15 0

This meeting is called upon to elect a Director, consequent on the retirement, in terms of the Articles of Association, of George J. Cohen, Esq., who is eligible for re-election, and has given the requisite notice that he is a candidate for the office. It also rests with the meeting to appoint Auditors for the ensuing year.

During the half-year Branches have been established at Boulabo, Gresford, Haberfeld, Marrickville and Quamhone, in this State, and at Morven and Roma Street, Brisbane, in the State of Queensland.

The dividend is now payable.

GEORGE J. COHEN, Chairman.

Dr.	LIABILITIES AND ASSETS. (Including London Branch to 30th June, by Cable.)				Cr.
				By Coin and bullion in hand	£5,635,152 13 3
Capital	£2,000,000	0 0		Cash at Bankers	199,714 4 0
Reserve Fund	1,680,000	0 0		Australian Commonwealth Notes (Legal Tender)	553,409 0 0
Reserve Capital... ..	2,000,000	0 0		Money at short call in London	1,831,553 15 0
	£5,680,000	0 0		British Consols and Government and Municipal Securities	2,439,525 0 0
To Capital Paid-up... ..	£2,000,000	0 0		Bills Receivable in London and Remittances in transit	2,068,614 2 0
Reserve Fund	1,680,000	0 0		Notes and bills of other banks	37,299 12 7
		£3,680,000	0 0		£12,770,273 6 10
Notes in circulation		21,804	0 0	Bills discounted, and all debts due to the Bank	13,962,748 8 6
Bills in circulation		1,113,851	9 7	Bank premises, furniture, &c.	563,253 0 0
Deposits and other liabilities		22,278,511	8 9		
Profit and Loss Account		207,112	15 0		
		£27,301,279	13 4		£27,301,279 13 4

PROFIT AND LOSS ACCOUNT.

To Dividend Account for payment of a Dividend for past half-year at the rate of 10 per cent. per annum	£99,253 8 9	By Amount undivided from last half-year	£57,729 14 2
Reserve Fund	50,000 0 0	Profit for half-year ended 30th June, 1914	149,333 0 10
Balance of undivided profit carried to next half-year	57,854 6 3		
	£207,112 15 0		£207,112 15 0

RESERVE FUND.

1914—June 30th	£1,680,000 0 0
By Transfer from Profit and Loss Account	50,000 0 0
	£1,730,000 0 0

GEORGE J. COHEN, Chairman.
T. A. DIBBS, General Manager.
W. R. SAYERS, Accountant.

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Reserve Fund and Undivided Profits 295,071 11 2

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Uncalled Liability of Shareholders ... 2,250,000
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Reserve Liability of Shareholders 625,000
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Reserve Liability of Proprietors, 3,500,000
£9,450,000



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RESERVE LIABILITY OF PROPRIETORS £15,000,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq. Sir Carl Meyer, Bart.

Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which
can be ascertained on application. Interest payable
June 30 and December 31.

SIR CHARLES ADDIS, } Managers
H. D. O. JONES, } in London.
JOHN M. CLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.
9 Gracechurch Street, London, E.C.

NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL £3,000,000

SUBSCRIBED CAPITAL 2,250,000

PAID-UP CAPITAL 750,000

RESERVE FUND 635,000

UNCALLED CAPITAL 1,000,000

Receives Deposits of £50 and upwards, for 1, 2 or
3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances
granted, and Bills on New Zealand purchased or sent
for collection.

H. FRESHWATER Secretary and London Manager.
17 Moorgate Street, London, E.C.

THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID £3,000,000.
SHAREHOLDERS' LIABILITY £3,000,000.
SURPLUS AND PROFITS £6,880,000.

President—K. F. SHANBARGER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. OLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers
made to all parts of the world. Letters of Credit
issued in Sterling, available throughout the world,
in Dollars throughout the United States, Canada,
Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made every-
where. Act as Agents for Foreign Banks to draw on
the United States. Correspondence solicited.

Cable Address—London Agents—
"FOURBANK." SAMUEL MONTAGU & CO.

NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and
Uganda.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	British East Africa
Bombay	Obhitagong	Zanzibar	
Madras	Rangoon	Menabasa	
Karachi	Madras	Nairobi	
Oswampore	Aden and	Nakuru	Uganda
Lahore	Aden Point	Kisumu	
Amritsar	Colombo	Entebbe	
Delhi	Kaly	Kampala	
Tuticorin		Jaja	

SUBSCRIBED CAPITAL £2,000,000

PAID-UP CAPITAL £1,000,000

RESERVE FUND £1,000,000

LONDON BANKERS—Bank of England; National
Provincial Bank of England, Limited; National Bank
of Scotland, Limited.

The Bank conducts every description of Eastern
Banking business.

Deposits received for fixed periods at rates to be
obtained on application. Interest payable June 30
and December 31.

Current accounts are opened, and provided they do
not fall below £200 interest is allowed on the minimum
monthly balances at the rate of 2 per cent. per annum.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised £1,500,000

Capital Issued 1,125,000

Capital Paid Up 562,500

Reserve Fund 465,000

Branches:

INDIA, BURMAH, CEYLON,
STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues
Letters of Credit and Circular Notes, and transacts bank-
ing and agency business in connection with the East, on
terms to be had on application.

Deposits received for one year at 4 per cent. per
annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per
cent. per annum on daily balances.

RUSSIAN & ENGLISH BANK

28 NEVSKY, ST. PETERSBURG.

Capital authorised and fully paid up, £1,057,000.

Reserve Fund, £126,000.

English members of the Council of the Bank—
Lord Balfour of Burleigh, K.T., Rt. Honble. Austen
Chamberlain, M.P., Ian H. Amory, J.P.

The Bank transacts every description of Banking
Business; collects Cheques, Bills, Documentary Bills
in all parts of the Russian Empire. Undertakes the
agency of Banks and the purchase and sale of Russian
Stocks and Shares.

London { Boulton Bros. & Co., 39 Old Broad St., E.C.

Agents { Lloyd Bank Limited and Branches.

Telegraphic Address, Britorussie, St. Petersburg.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which is incorporated the Bank of Africa, Ltd.)

Bankers to the Government of the Union of South
Africa in the Transvaal and Orange Free State.

Bankers to the Imperial Government in South Africa.

London Offices—Circus Place, London Wall, E.C., and
17 Cannon Street, E.C.

Subscribed and Paid up Capital £2,350,000

With power to increase to 4,000,000

Reserve Fund 700,000

Branches and Agencies in all the principal towns of
South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened, and
all descriptions of Banking business connected with
South Africa and the Belgian Congo transacted on
terms which may be ascertained on application.

D. OUNNINGHAM, Manager.

The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

VOL. LXXXI.—No. 1,908.] SATURDAY, SEPTEMBER 19, 1914. [PRICE 6d. POST FREE 6½d. (U.K.)

BRITISH BANK for FOREIGN TRADE, LIMITED.

(Formerly Anglo-Russian Bank, Ltd.)

AUTHORISED CAPITAL.....£1,500,000

ISSUED AND FULLY PAID UP CAPITAL.....£1,200,000

HEAD OFFICE:

48 BISHOPSGATE, LONDON, E.C.

London Clearing Bankers:

Bank of England; Lloyds Bank Ltd.

CURRENT ACCOUNTS.—Interest allowed by arrangement on minimum monthly balances at 2% per annum.

DEPOSIT ACCOUNTS.—Interest at a minimum of 4% per annum allowed for fixed periods of 3 months and upwards.

Bills discounted | Foreign Exchange Credits opened | Coupons Collected | Advances against Documents.

G. H. BUTTERFIELD, Manager.

BANCA COMMERCIALE ITALIANA.

HEAD OFFICE:—MILAN.

LONDON OFFICE:—1 Old Broad Street, E.C.

Paid-up Capital, £5,200,000. Reserve, £2,323,000.

Branches in Italy.—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; and Agencies in numerous other Towns.

Agents in London for:—Banque Française et Italienne pour l'Amerique du Sud, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and Societa Commerciale d'Oriente, Tripoli, Africa.

AGENTS & CORRESPONDENTS in all parts of the world.

BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund £P.300,000

BRANCHES IN: Piura, Callao, Mollendo, Chiloayo, Cerro de Pasco, Arequipa, Paucamayo, Chincba Alta, Ouzco, Trujillo, Ica, Iquitos, Huancayo, Huancayo, Huancayo.

Letters of Credit, Drafts and Cable Transfers, issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

HONGKONG AND SHANGHAI BANKING CORPORATION.

CAPITAL, all paid up\$15,000,000

RESERVE FUNDS

STERLING RESERVE, HELD IN LONDON AT EXCHANGE OF 2s. PER £ = £1,500,000

STERLING INVESTED IN CONSOLS AND OTHER STERLING

SECURITIES.....\$15,000,000

SILVER RESERVE.....17,650,000

.....\$32,650,000

RESERVE LIABILITY OF PROPRIETORS.....\$15,000,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq., Sir Carl Meyer, Bart.

Wm. Cair Rathbone, Esq., J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

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JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... £3,703,704

RESERVE FUND ... £1,033,410

PETROGRAD. MOSCOW. PARIS.

And over 100 Branches in Russia.

London Offices: 24 28 Lombard Street, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares, Dividend Collected, Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Deposits are received for one year and over at 4 per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

London Office: 24 28 Lombard Street, E.C.

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Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

NATIONAL BANK OF TURKEY.

Subscribed Capital... £1,000,000

Paid up ... 250,000

President:

Sir HENRY BABINGTON SMITH, K.C.B., C.S.I.

Head Office: CONSTANTINOPLE

Manager: H. P. KINGHAM

London Committee:

THE HON. SIDNEY PEARL, Chairman.

The Hon. Hugo Baring.

H. Birchough, Esq., C.M.G.

R. H. Macaulay, Esq.

A. N. Meyer, Esq.

London Agency... 50 COORNHILL, E.C.

Manager, R. HECHT.

General Banking Business Transacted.

BANCO DE CHILE.

LONDON AGENCY—

94 GRACECHURCH STREET, E.C.

Chilian Dollars.

Paid-up Capital ... \$40,000,000

Reserve Fund ... 22,000,000

Reserve Liability of Shareholders 40,000,000

HEAD OFFICES: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

NATIONAL BANK OF EGYPT.

(Established by Khedival Decree, June 1893,

with the exclusive right to issue

Notes payable at sight to bearer.)

Capital, £3,000,000 (in 300,000 Shares of £10 each,

fully paid). Reserve Fund, £1,500,000.

Governor—F. T. Rowlett, Esq. Head Office—Cairo.

London Committee—

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Algernon Mills. Hon. Sidney Peel.

LONDON AGENCY—

3 & 4 LOTHBURY, LONDON, E.C.

Manager—J. T. Beatty-Pownall.

Assistant Manager—A. F. Gillbee.

Accounts opened with traders and private persons. Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiut, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damanhur, Fayoum, Keneh, Luxor, Mansourah, Minieh, Mouky (Oairo) Port Said, Sohag, Tantah, and Zagazig; and in the Sudan at Khartoum, Port Sudan, and Sukkim.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1890.

Subscribed Capital ... Yen 48,000,000

Capital Paid up ... 30,000,000

Reserve Fund ... 18,900,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antang-Hsien Kobe New York

Bombay Liao Yang Osaka | Peking

Calcutta London Ryojun (Port

Changchun Los Angeles Arthur)

Dairen (Dalny) Lyons San Francisco

Hankow Fengtien Shanghai

Harbin (Mokden) Tientsin

Hong Kong Nagasaki Tientsin | Tokio

Honolulu Newchwang Tientsin

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—

7 Bishopsgate, E.C.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED,

39 CORNHILL, E.C.

Capital Authorised	...	£2,000,000
Capital Subscribed	...	1,700,000
Paid up	...	850,000
Reserve Fund	...	800,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on deposit are this day reduced as follows: At Call, to Two and a half per Cent.; at 7 and 14 days' or longer notice to Two and three-quarters per Cent. The Company discounts approved bank and mercantile acceptances, receives money on deposit at rates advertised from time to time in the London daily papers, and grants loans on approved negotiable securities.

CHRISTOPHER R. NUGENT, Manager.

Sept. 17, 1914.

ALEXANDERS and CO., LTD.,

24 Lombard Street, E.C.

Capital	...	£1,000,000
Subscribed	...	900,000
Paid up	...	500,000
Reserve Fund	...	100,000

The Rate of Interest allowed on Deposits has been this day reduced to 2½ per Cent. at Call and 2½ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.

F. NEWCOMB, Manager.

Sept. 17, 1914.

NATIONAL DISCOUNT COMPANY, LIMITED.

Subscribed Capital	...	£4,233,325
Paid-up Capital	...	846,665
Reserve Fund	...	505,000

NOTICE IS HEREBY GIVEN that the Rates of Interest allowed for money on Deposit are reduced as follows:—

To 2½ per Cent. per annum at call.
To 2½ per Cent. at 7 and 14 days' notice.

PHILIP HAROLD WADE, Manager.

Approved Mercantile Bills discounted. Money received on Deposit at Call and short notice, and interest allowed at the current market rates; and for longer periods upon specially agreed terms. Loans granted upon negotiable securities.

No. 35 Cornhill, E.C., Sept. 17, 1914.

THE UNION OF LONDON AND SMITHS BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the RATE of INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be Two and a half per Cent. per annum from this date until further notice, which will be given by advertisement only.

H. H. HART, Manager (Town and Foreign).

L. R. THOMAS, Manager (Country).

No. 2 Princes Street, E.C.:

Sept. 17, 1914.

BRITISH LINEN BANK (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 2½ per Cent. until further notice.

JAMES LITTLE, Manager.

Threadneedle Street, London, E.C.:

Sept. 17, 1914.

LONDON & SOUTH-WESTERN BANK, LIMITED.

Head Office, 170 Fenchurch Street, E.C.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day reduced to 2½ per Cent. per annum.

H. H. HAMBLING, General Manager.

Sept. 17, 1914.

BANK OF SCOTLAND (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts will be 2½ per Cent. until further notice by advertisement.

WILLIAM SMILES, Manager.

No. 30 Bishopsgate, E.C.:

Sept. 17, 1914.

THE LONDON JOINT STOCK BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day reduced to 2½ per Cent. per annum.

CHARLES GOW, General Manager.

5 Princes Street, Mansion House:

Sept. 17, 1914.

THE COMMERCIAL BANK OF SCOTLAND, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 2½ per Cent. until further notice by Advertisement.

GEO. S. COUTTS, Manager.

No. 62 Lombard Street, London, E.C.:

Sept. 17, 1914.

PARR'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposit at seven days' call is 2½ per Cent. per annum until further notice.

R. W. WHALLEY,

Director and General Manager.

Bartholomew Lane, E.C.:

Sept. 17, 1914.

LONDON COUNTY AND WESTMINSTER BANK LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors is this day reduced to the following Rates, viz.:

On Deposits subject to seven days' notice 2½ per Cent., and on Deposits at Call 2 per Cent. until further notice.

F. J. BARTHORPE,

Head Office Manager.

No. 41 Lothbury, E.C.:

Sept. 17, 1914.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office, Bishopsgate, and London Branches, is this day reduced to 2½ per Cent. for money placed on Deposit at seven days' notice.

T. ESTALL,

D. J. H. CUNNIK,

F. ELEY,

Joint General

Managers.

No. 15 Bishopsgate, London, E.C.:

Sept. 17, 1914.

LLOYDS BANK LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is reduced to 2½ per Cent. for money at seven days' notice.

HENRY BELL,

General Manager.

No. 71 Lombard Street:

Sept. 17, 1914.

THE LONDON CITY AND MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches will be 2½ per Cent. until further notice.

J. M. MADDERS,

S. B. MURRAY,

F. HYDE,

Joint General

Managers.

No. 5 Threadneedle Street, E.C.:

Sept. 17, 1914.

THE UNION BANK OF SCOTLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 2½ per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.

London Office, 62 Cornhill, E.C.:

Sept. 17, 1914.

THE CLYDESDALE BANK, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 2½ per Cent. per annum until further notice.

JOHN CRAIG, Manager.

30 Lombard Street, London, E.C.:

Sept. 17, 1914.

MARTIN'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 2½ per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN,

Managing Director.

No. 63 Lombard Street, E.C.:

Sept. 17, 1914.

THE CAPITAL AND COUNTIES BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on DEPOSITS Repayable on SEVEN DAYS' NOTICE is this day reduced to 2½ per Cent. per annum.

O. A. HARVEY, } Joint General

E. D. VAISEY, } Managers.

No. 39 Threadneedle Street, E.C.:

Sept. 17, 1914.

ROYAL BANK OF SCOTLAND (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 2½ per Cent. until further notice.

W. WALLACE, Manager.

No. 3 Bishopsgate, E.C.:

Sept. 17, 1914.

WILLIAMS DEACON'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 2½ per Cent. per annum from this date until further notice.

JOHN J. MEAGHER,

Manager.

20 Boro'h Lane, E.C.:

Sept. 17, 1914.

THE NATIONAL BANK OF SCOTLAND, LIMITED, Incorporated by Royal Charter and Act of Parliament.

London Office: NICHOLAS LANE, LOMBARD STREET. NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 2½ per Cent. per annum for money at seven days' notice.

J. FERROUSON, Manager.

Sept. 17, 1914.

THE TRANSFER BOOKS OF

Achille Serre, Limited, will be Closed from the 23rd to 30th September inclusive for the preparation of Dividend Warrants.

A POLLINARIS & JOHANNIS, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Four per Cent. Irredeemable Debenture Stock will be Closed from September 16th to 30th, 1914, both days inclusive, for the preparation of Interest Warrants payable on 1st October.

By Order of the Board,

J. WESTLAKE LACK,

Secretary.

No. 4 Stratford Place,
Oxford Street, London, W.,
14th September, 1914.

THE SOUTH METROPOLITAN ELECTRIC LIGHT AND POWER COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that the Books will be Closed from the 17th to 30th inst. (inclusive) for preparation of Warrants for Interest on the Four-and-a-Half per Cent. First Mortgage Debenture Stock payable on the 1st prox. for the half-year to that date.

C. DEAVE, Secretary.

JONES AND HIGGINS, LTD.

NOTICE IS HEREBY GIVEN that the Preference Share Transfer Books will be Closed from the 21st to the 30th inst., both days inclusive, and the Ordinary Share Transfer Books from the 26th inst. to the 10th October, both days inclusive.

By Order of the Board,

R. G. STANNARD,

Secretary.

19 Rye Lane, Peckham,
September 16th, 1914.

TRANSVAAL GOLD MINING. ESTATES, LIMITED.

(Incorporated in the Transvaal.)

DECLARATION OF DIVIDEND No. 17.

NOTICE IS HEREBY GIVEN that an Interim Dividend of 1½ per cent. (three shillings and sixpence per share) has been declared by the Board for the half-year ending 30th of September, 1914.

This Dividend will be payable to shareholders registered in the books of the Company at the close of business on 30th of September, 1914, and to holders of Coupon No. 17 attached to Share Warrants to Bearer.

The Transfer Books will be Closed from the 1st to the 7th of October, 1914, both days inclusive.

The Dividend will be payable to South African registered shareholders from the Head Office, Johannesburg, and to other shareholders (except those resident in Germany, Austria, and their Colonies) from the London Office, 1 London Wall Buildings, London Wall, E.C., on or about the 5th of November, 1914.

Holders of Share Warrants to Bearer are informed that they will receive payment of the Dividend on presentation of Coupon No. 17 at the London Office of the Company.

Coupons must be left four clear days for examination, and will be payable at any time on or after the 5th of November, 1914.

By Order of the Board,

A. MOIR, London Secretary.

London Office—
No. 1 London Wall Buildings, E.C.,
17th September, 1914.

Wesleyan & General Assurance Society.

ESTABLISHED 1841.

Chief Offices ... BIRMINGHAM.

London Central Offices:

HALTON HOUSE, 20-23 HOLBORN, E.C.

Accumulated Funds Exceed	£2,000,000.	Claims Paid Exceed	£7,000,000.
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Annual Valuations and Distribution of Profits.

Copies of the Annual and Valuation Reports, Prospectuses, with revised Rates of Premiums, &c., on application.

ARTHUR L. HUNT,

General Manager.

\$100,000,000**New York City 6% Revenue Bonds
and Corporate Stock Notes**

MATURING AS FOLLOWS:—

\$57,000,000 6% Corporate Stock Notes due September 1st, 1915.
\$18,000,000 6% Revenue Bonds due September 1st, 1916.
\$25,000,000 6% Revenue Bonds due September 1st, 1917.

Price 100 and accrued interest.*These three issues are direct obligations on the City of New York.*

Interest payable semi-annually, March 1st and September 1st.

Principal and Interest payable in Gold Coin of the United States of America of the present standard of weight and fineness at the Office of the Comptroller of the City of New York.

Coupon Form in denominations of \$500, \$1,000, \$5,000 and \$10,000.

Registered Form in denominations of \$500 and multiples thereof as desired.

Coupon and Registered Forms interchangeable.

A Syndicate of Banks and Trust Companies of New York City has purchased these Bonds from the City at par and accrued interest. A large part of the Bonds having been withdrawn from sale by the subscribing Banks and Trust Companies, we offer the remainder on their behalf for Public Subscription at the cost price.

Subscription Books will be Closed at 12 o'clock noon Tuesday, September 22nd, or earlier, in our discretion, without notice.

The right is reserved to reject any and all applications and also in any case to award a smaller amount than applied for.

J. P. MORGAN & COMPANY.
KUHN, LOEB & COMPANY.

**CITY OF VILNA FIVE PER
CENT. GOLD BONDS.**

NOTICE IS HEREBY GIVEN that the following Bonds of the above Loan were drawn on 2/15th August, 1914, for repayment on 2/15th November, 1914, at £100 per cent.:

40 Bonds of Rs. 189 = 20 pounds sterling each, for the amount of Rs. 7,560 = £800.
 932 1011 1144 1193 1213 1624 1747 1771
 1801 1867 1903 1967 3621 3633 3889 4790
 4869 4922 4988 5004 5027 5045 5281 5283
 5658 5689 5704 8416 8423 9647 9653 9931
 9935 9969 10005 10056 10612 10669 11861 11920

4 Bonds of Rs. 945 = 100 pounds sterling each, for the amount of Rs. 3,780 = £400.
 12135 12160 13032 13152

Bonds of the above numbers should be presented on 2/15th November, 1914, at the British Bank for Foreign Trade, Limited, 48 Bishopsgate, E.C., or at the Russian Commercial and Industrial Bank, 24/28 Lombard Street, E.C., for repayment.

SUMMARY.

40 Bonds of Rs. 189 each = Rs. 7,560, pounds sterling 800.

4 Bonds of Rs. 945 each = Rs. 3,780, pounds sterling 400.

Total 44 Bonds = Rs. 11,340, pounds sterling 1,200.

(Signed) M. WENSLAWSKI, Mayor,
 K. NJEDZIALKOVSKY, Member of
 Ouprava.

V. ZHIZHILEVSKI, Secretary.
 The above Bonds, when presented for payment, must bear all the Coupons subsequent to the 2/15th November, 1914, otherwise the amount of the Coupons missing will be deducted from the principal to be repaid.

Anglo-Russian Trust, Limited,
 GEORGE A. KEMP,
 Manager and Secretary.
 6 Austin Friars, E.C.,
 14th September, 1914.

**COUPON PAYMENT OF SWISS
GOVERNMENT CANTONAL AND MUNI-
CIPAL SECURITIES.**

The Swiss Bankverein, London, are prepared, until further notice, to purchase Coupons and Draw Bonds of Swiss Government, Cantonal and Municipal Loans payable at their offices in Switzerland.

Coupons and Draw Bonds presented for payment must be left three clear working days for examination at the offices of the Swiss Bankverein, 43 Lothbury, E.C., or 11c Regent Street, Waterloo Place, S.W.
 15th September, 1914.

JAMES EADIE, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of Debenture Stock and Preference Shares of this Company will be Closed from September 22nd to October 5th, both inclusive.

By Order of the Board,
 CHARLES W. INLEY,
 Secretary.

**JOSEPH BURTON & SONS
LIMITED.**

NOTICE IS HEREBY GIVEN that the Transfer Books of the Debenture Stock and Preference Shares will be Closed from September 21st to October 1st, inclusive.

OSCAR L. THOMPSON,
 Secretary.

21st Street, Nottingham.

**GREATER WINNIPEG WATER
DISTRICT £400,000 FOUR-AND-A-HALF
PER CENT. STOCK, 1914 (July 1914
Issue).**

NOTICE IS HEREBY GIVEN to all holders of Allotment Letters and Scrip that the instalment of 30 per cent. due 24th September, 1914, should be paid on the due date, otherwise interest will be charged at the rate of 6 per cent. per annum, pursuant to the terms of the Royal Proclamation dated 6th August, 1914, and extension thereof. Payment should be made to the Bank of Montreal, 47 Threadneedle Street, E.C., or 9 Waterloo Place, Pall Mall, S.W.

**PROVINCE OF ONTARIO FOUR
PER CENT. REGISTERED STOCK, 1914.**

For the purpose of preparing the Interest Warrants due 1st November, 1914, the balances will be struck on the evening of the 1st October, 1914, after which date the Stock will be transferred ex dividend.

For Bank of Montreal,
 G. C. CASSELS,
 Manager.

47 Threadneedle Street, E.C.,
 17th September, 1914.

**BILBAO RIVER AND CANTA-
BRIAN RAILWAY COMPANY, LIMITED.**

NOTICE IS HEREBY GIVEN that an Interim Dividend and Bonus, amounting together to four shillings and sixpence per share, free of income tax, for the half-year to 30th June, will be payable on the 23rd instant on the Preference and Ordinary Shares of this Company, and that the Transfer Books of the Company will be Closed from the 18th to 23rd instant, both days inclusive.

By Order,
 L. H. BUCK,
 Secretary.

Palace Chambers,
 9 Bridge Street, Westminster, S.W.,
 17th September, 1914.

TENDERS.**THE SOUTH INDIAN RAIL-
WAY COMPANY, LIMITED.**

are prepared to receive Tenders for the supply of:

LOCOMOTIVE ENGINES AND TENDERS.

Broad-Gauge Goods, 16 "K" Class, super-heated.

Specifications and Forms of Tender may be obtained at the Company's Offices.

Tenders, addressed to the Chairman and Directors of the South India Railway Company, Limited, marked "Tender for Locomotives," must be left with the undersigned not later than One o'clock on Wednesday, the 30th September, 1914.

The Company are not bound to accept the lowest or any tender.

A charge, which will not be returned, will be made of 40s. for each copy of specification.

Copies of the drawings may be obtained at the office of Robert White, Esq., M.Inst.C.E., Consulting Engineer to the Company, 3 Victoria Street, Westminster, S.W.

By Order,
 V. E. de BROE, M.Inst.C.E.,
 for Managing Director.
 Company's Offices—
 91 York Street,
 Westminster, S.W.,
 16th September, 1914.

**[INDIA BILLS, PAYABLE IN
LONDON IN STERLING.**

ISSUE OF £2,000,000.

The Secretary of State for India in Council hereby give notice that Tenders will be received at the Chief Cashier's Office, at the Bank of England, on Wednesday, the 23rd September, at One o'clock, for India Bills, to be issued under the Acts 61 and 62 Viet., c. 13, and 10 Edw. VII., c. 5, to the amount of £2,000,000 (Two million pounds), to provide funds for capital expenditure on railways in India, and for other purposes.

The Bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated the 28th day of September, 1914, and will be payable at twelve months after date, viz., on the 28th September, 1915.

The Tenders must be expressed in English currency, and not in fractions of a penny other than halfpence or farthings, and must specify the net amount per cent. which will be given for the amounts applied for; and the Tenders of private individuals must be made through a London banker.

The Bills will be issued and paid at the Bank of England.

The persons whose Tenders are accepted will be informed of the same on Thursday, the 24th September, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England not later than Three o'clock on Monday, the 28th September.

Persons tendering for India Bills are hereby notified that, having regard to the provisions of the Acts 22 Geo. III., c. 45 and 41, Geo. III., c. 52, the acceptance of any such Tender is subject to the express condition that no member of the House of Commons shall be admitted to any share or benefit to arise from the contract thereby made for the allotment of such Bills.

The Secretary of State for India in Council reserves the right of rejecting any Tenders.

Tenders should be upon the printed form, which can be obtained at the Chief Cashier's Office, Bank of England.

Indian Office,
 17th September, 1914.

WANTED, GENTLEMAN TO

take few months' trip Nigeria, investigate business proposition. Must be thorough business man, with good knowledge flides, Skins, and General Produce, and have experience African or Eastern countries. Possibility permanent engagement. State monthly salary required. Write, Box 769, W. 11. Smith & Son, The Bookshop, Kingsway, W.C.

JAMES W. COOK & CO., LTD.

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of the Ordinary Shares will be closed from 21st to 30th inst., both days inclusive.

By Order,
 ERNEST G. DEVITT,
 Secretary.

130-135 Minories, E.C.,
 18th September, 1914.

**DELHI AND LONDON BANK,
LIMITED.**

NOTICE IS HEREBY GIVEN that the Half-yearly Ordinary General Meeting of this Company will be held at the Bank Office, Royal Bank Buildings, 5 Bishopsgate, London, E.C., on WEDNESDAY, the 7th October, 1914, at Twelve o'clock noon, precisely, to receive the Report of the Directors and the Accounts for the half-year ending 30th June, 1914, to declare a Dividend, and to transact any other business which may be brought before the Meeting.

NOTICE IS ALSO HEREBY GIVEN that the TRANSFER BOOKS will be closed from the 18th September until the 12th October, both days inclusive.

By Order of the Board,
 P. B. BAKER,
 Manager.

Royal Bank Buildings,
 5 Bishopsgate, London, E.C.,
 19th September, 1914.

**CANADIAN GENERAL ELEC-
TRIC COMPANY, LIMITED.**

THE CANADIAN BANK OF COMMERCE give notice that the Directors of the above-named Company in Toronto have declared a Quarterly Dividend of 11 per cent. for the three months ending 30th September, 1914, being at the rate of 7 per cent. per annum on the Common Stock of the Company.

A half-yearly dividend of 31 per cent. for the six months ending 30th September, 1914, being at the rate of 7 per cent. per annum, has also been declared on the Preference Stock of the Company.

The above dividends are payable on the 1st day of October, 1914, to Shareholders of record 15th day of September, 1914. The TRANSFER BOOKS will not be closed.

For THE CANADIAN BANK OF COMMERCE,
 Registrars of the Canadian General Electric Company, Limited.

H. V. F. JONES,
 Manager.

2 Lombard Street,
 18th September, 1914.

CANADA.

THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.
C. A. BOGERT, General Manager.

LONDON BRANCH, 73 CORNHILL, E.C.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.
General Banking Business transacted. Information
furnished regarding Canadian matters.

THE UNION BANK OF AUSTRALIA, Limited.

ESTABLISHED 1837. INCORPORATED 1830.
Authorised and Issued Capital, £6,000,000.

Paid-up Capital, £2,000,000	} together £8,960,000
Reserve Fund £1,000,000	
Reserve Liability of Proprietors ..	4,000,000
Total Capital and Reserves	£7,960,000

HEAD OFFICE: 71, CORNHILL, LONDON, E.C.
DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.TELEGRAPHIC REMITTANCES are also made.
BILLS are purchased or sent for collection.
DEPOSITS are received for fixed periods on terms which may be ascertained on application.

UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up-Capital	\$5,000,000
Rest and Undivided Profits ...	\$3,600,000
Total Assets over.....	\$80,000,000

LONDON OFFICES { 6 PRINCES STREET, E.C.
26 HAYMARKET, S.W.LONDON COMMITTEE: J. Leigh Wood, Esq., C.M.G.
Hon. Sidney Peel: P. W. Ashe, Esq.

The Bank having over 300 Branches in CANADA from Atlantic to Pacific, and Agents in all the principal Cities in America, has exceptional facilities for transacting a general Banking and Exchange business with Canada and the United States. Collections and Correspondence invited.

THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL.....£1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.
BRANCHES: Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tantah, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England, The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4 per cent. per annum.

On current accounts, interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clements Lane, Lombard Street, E.C.

THE COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.

Established 1834. Incorporated in New South Wales.

Capital Paid up	£2,000,000	0 0
Reserve Fund	1,730,000	0 0
Reserve Liability of Shareholders	2,000,000	0 0
	£5,730,000	0 0

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australia negotiated or collected. Remittance cabled.

Deposits received for fixed periods at rates to be ascertained on application.

London Offices—
18 Birchlin Lane, Lombard Street, E.C.
F. A. SCRIVENER, Manager.

WHITELAW'S PHRASES FOR CODE TELEGRAPHY.

A Full Phrase Code on a new plan, being up the last 500 millions of Whitelaw's 2,500 millions two-letter-difference words, and leaving 2,000 millions (2 full sets of 9 Figures) for Tables for Firm Offer and other Tabulated Business.

SPECIMEN COPY WILL BE SENT ON APPLICATION.

The various selections of Artificial and Dictionary words and the Quotation Tables, now long in use, continue as before, and have been duly certificated by the International Examining Committee.

WHITELAW'S, 39 Lombard Street, London, E.C. PALMER, HOWE & CO., Manchester.

THE FINANCIAL POST OF CANADA,

"The Canadian Newspaper for Investors."

Is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

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HEAD OFFICE—TORONTO, CANADA.

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NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

PRUDENTIAL ASSURANCE COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £88,000,000
CLAIMS PAID - £110,000,000

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American Railroads Section

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Post Free, Inland 1/1.

" Abroad 1/6.

The Publisher,

51 Cannon Street, London, E.C.

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THE LONDON ASSURANCE.

Incorporated by Royal Charter A.D. 1720.

For FIRE, LIFE, MARINE, ACCIDENT, CAPITAL and LEASEHOLD REDEMPTION, BURGLARY and PLATE-GLASS Assurances.

Head Office—No. 7 ROYAL EXCHANGE, LONDON.

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 Sub-Governor—COLIN FREDERICK CAMPBELL, Esq.
 Deputy Governor—ROBERT HENRY BENSON, Esq.

Secretary—C. A. DUNN, Esq. Underwriter—E. F. NICHOLLS, Esq.
 Manager of the Fire, Life and Accident Departments—JAMES CLUNES, Esq.
 Actuary—A. G. HEMMING, Esq.

The Corporation has granted Fire, Life and Marine Assurances for nearly Two Hundred Years, and now also undertakes Capital and Leasehold Redemption, Burglary, Plate-Glass and Accident Business, including Liability to Employers in respect of Domestic Servants, Shop and Warehouse Assistants, under the Workmen's Compensation Act of 1906.

WESTERN ASSURANCE COMPANY.

Incorporated in Canada 1851.

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 insurances granted at Current Rates.

British and Foreign Office - 14 CORNHILL, E.C.
 W. A. MILNE, Fire Manager. H. M. BENTLEY, Assistant Fire Manager.
 R. H. R. BURDER, Underwriter and Secretary.

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 Reuse Purchase, in combination with Life Assurance.
 INDUSTRIAL BRANCH.—Adult Assurances, Whole Life and Endowment.
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OVER £9,800,000 PAID IN CLAIMS.

Agents required in all parts of the United Kingdom; splendid opportunities for energetic men.

Chief Offices: BROAD STREET CO INER, BIRMINGHAM.

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Chief Office - 50 FINSBURY SQUARE, LONDON, E.C.

Allied with National Amalgamated Approved Society for National (Health Insurance.

PREMIUM INCOME exceeds ... £700,000
 FUNDS exceed £1,000,000

REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income (1913) Exceeds £3,380,000.
 Funds (1913) Exceed - - - £10,000,000.

Allied with the National Amalgamated Approved Society for State Insurance

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TO INCLUDE ALL SUPPLEMENTS.

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OFFICES: 51 Cannon Street, E.C.

IMPORTANT NOTICE.

All Editorial communications should be addressed to the Editor.

Business communications should be addressed to the Manager,

THE STATIST,

51 Cannon Street, London, E.C

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 GUARANTEED LOAN VALUES.
 GUARANTEED BONUSES.
 GUARANTEED OPTIONS.

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Head Office: EDINBURGH: 3 George Street.

London: 83 King William Street, E.C.,
 and 3 Pall Mall East, S.W. Dublin: 59 Dawson Street.

The Statist.

LONDON, SATURDAY, SEPTEMBER 19, 1914.

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The Money Market.

Friday Evening, September 18, 1914.

Bank of England and Deposit Rates:—

DATES FIXED	BANK OF ENGLAND RATE.	BANKS SHORT NOTICE.	DEPOSIT RATES.—	
			(DISCOUNT HOUSES.)	SHORT NOTICE.
			CALL.	
September 17, 1914 ..	—	2½	2½	2½
September 4, 1914 ...	—	3	3	3½
August 27, 1914 ...	—	—	3½	3½
August 8, 1914 ...	5	3½	4	4½
August 6, 1914 ...	6	4	—	—
August 1, 1914 ...	10	5*	5	5½
July 31, 1914 ...	8	4	4½	4½
July 30, 1914 ...	4	2½	2½	2½
January 29, 1914 ...	3	1½	1½	1½

* Head Office and Metropolitan Branches only.

Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Bank Bills	3	3	3½-4	3½
Trade Bills	—	5	5½	5½

B

MONEY.

THE most inspiring event in the Money market this week has been the manner in which the Treasury bills were disposed of on Wednesday. The total amount offered was 15 millions, and the applications totalled 47 millions, and there were the unusually large number of 281 applicants. In other words, even in this time of emergency the applications were more than three times the amount offered. Furthermore, the six months' bills were taken at £2 18s. 6½d. per cent., while the twelve months' bills were taken at £3 8s. 3½d. per cent. If we compare these figures with those that were placed in August, they will be seen to be highly satisfactory. Even in August the average price for six months' bills was £3 15s. 6d. per cent., while this month the average price is barely over 2½ per cent. We have every reason to congratulate ourselves on such a result. Everybody knows what vast sums will have to be borrowed to finance the war, and yet before two months of the conflict have expired we are able to borrow at a trifle over 3 per cent. on the average of the whole 15 millions.

There are few countries which could offer such evidence of financial strength. It is all the more reason why our banks should do everything possible to make trade active, and to enable all enterprising persons to capture as much of the derelict trade as possible. But the figures cited above have another lesson, which is that money is becoming exceedingly abundant, that the confidence of the City is rising rapidly, and that the alarm which the sudden outbreak of war caused is quickly passing away. In further proof of all this we may observe that many persons who occupy most responsible positions in the City are now allowing themselves a holiday. Up to the present their true place was in the City, looking after their own business and the interests of the country. Now they feel that there has been so much improvement that they are justified in taking a short rest.

Furthermore, it will be observed that the rates of interest and discount in the Open market are steadily falling. A glance at the return of the Bank of England, which we publish elsewhere, will show the reader that it is not surprising that this should be the case, for the Bank of England now holds very nearly 48½ millions sterling in gold. Remember that it does this although the Government has wisely earmarked a considerable amount of the metal against the notes issued by it, and although every country is doing its utmost to preserve what gold it possesses. In addition to this we would point out that the other deposits now exceed 135 millions. Is there any reasonable doubt, therefore, that apprehension is disappearing, that confidence is reviving, and that money is about to become plentiful and cheap?

The present condition of the International Money market illustrates in a striking way how greatly business in all its forms is affected by politics and the feelings they excite. Everywhere men engaged in commercial transactions, who have had long and varied experience and who are looked up to as pillars of the State, are holding a firm grasp of all the gold they possess, and are unwilling to engage in any kind of enterprise which might lead to the leaking away of any considerable portion of the metal. The gold is to all intents and purposes lying useless. It is, in fact, being hoarded, and the business of the world is being conducted by means of inconvertible paper. Yet these great merchants and manufacturers and financiers think they are displaying extraordinary wisdom when they sit upon their gold and endanger the activity of trade.

As we point out elsewhere, a Committee is sitting here in London to consider how best to finance the moving of the Egyptian cotton crop, because the Egyptian banks will not send gold, and the English banks will not enable them to do so. The Chancellor of the Exchequer has been kept busy ever since the war broke out in devising schemes for keeping trade going, because everybody lost his head and nobody was willing to engage in new enterprise. Even in the United States, which is preserving strict neutrality, the Money market is as disturbed to all intents and purposes as it is in London, while the Stock Exchange there has also been closed. It is a picture which does not tend to raise one's estimation of the way in which business is conducted, nor to strengthen very much our confidence in the effects of experience. One would naturally suppose that in such a grave crisis everybody would endeavour to reassure those who are timid and to keep business going as fully as possible. On the contrary, we find that the very people who ought to show the greatest calmness, and to set the best example, are those who are acting most timidly.

It is fortunate, in all the circumstances, that Nature is kind to us, and is offering a way of escape from our difficulties. Unfortunately, the Canadian wheat crop will not prove as good as it promised quite recently to be, but there is an exceptionally good crop in the United States, and also in Russia. The news from India is most reassuring, and the prospects in Australia are likewise good. We have reasonable grounds for hoping, therefore, that the food supplies will not fail us, and that prices will not be excessive. If only, then, those who have the power of promoting trade will act with judgment and sound sense, we may hope that business will become better every day that passes, that all who are willing to work will find employment, and that wages will not be unnecessarily cut down. In many directions we are sorry to see people are economising to an extent that is to be regretted. One hears on all sides of employees being dismissed, of wages being lowered, and so on. Those who save in that way forget that they are increasing unemployment, that the unemployed will have to be supported in some way or other, and that the cares arising from a great war will be augmented by the suffering all round. Thrift is a most excellent thing where it is practised humanely and judiciously, but thrift inspired by mere fear is often exceedingly cruel.

The fall in the Open-market rate of discount, which has been in progress since the middle of August, does not appear as yet to have come to an end, for during the past week the nominal quotation for three months' paper has declined from 3¾ per cent. to 3 per cent., and brokers who have taken bills at this rate have been able to sell them to the banks at a profit. The fall in the long bills has not been so pronounced, but they also have found freer takers. Money can scarcely be described as really much cheaper than a week ago, although it is nominally owing to the further reduction in deposit rates by both the banks and the brokers. A reduction in the official minimum on Thursday was hardly expected, although it was known that the bank return would be a good one. The joint-stock banks again took the unusual step of altering their deposit rates independently of any movement in the official minimum, and probably never before has the margin between bankers' deposit rates and the official minimum been as much as 2½ per cent. Although the discount houses made a corresponding reduction and now give 2½ per cent. and 2¾ per cent. for money at call and at short notice respectively the value of money throughout the week has been even lower. Brokers have been able to borrow over the night at under 2 per cent.

While the cheapness of money and the strong Bank return were given as reasons for a better demand for bills the weakness appears to have been checked to some extent by the rates at which the last issue of Treasury bills was disposed of, and also by the announcement that the India Government will take £2,000,000 off the market shortly by an issue of twelve months' Sterling bills. It is nearly three years since the last issue of India Sterling bills was made, and their reappearance at the present time is doubtless due to the fact that owing to present conditions it is impossible to make an issue of stock. Even another reason given by those who wanted to maintain rates was the fact that, owing to the unsettled condition of the foreign exchanges, the French Government were taking steps to negotiate two millions of twelve months' bills in this market bearing 5 per cent. interest.

DEPOSIT RATES.

OWING to the abundance of money, both the joint-stock banks and the discount houses on Thursday reduced the rates allowed by them on deposits. As regards the former, the rate now allowed is $2\frac{1}{2}$ per cent., against 3 per cent. which has been in force since September 4, while in the case of the latter the rate now allowed on money at call is $2\frac{1}{2}$ per cent. and at short notice $2\frac{3}{4}$ per cent., against 3 per cent. and $3\frac{1}{4}$ per cent. respectively fixed on September 4. Recent fluctuations in deposit rates are clearly set out in the tabular statement on p. 587.

NEW BRITISH TREASURY BILLS.

THE tenders on Wednesday last for £15,000,000 of Treasury bills resulted as to the £7,500,000 in six months' bills in applications for £24,561,000. Tenders at £98 9s. 8d. received about 27 per cent.; those above in full. The average price realised was £98 10s. 8.725d., equal to an average rate of discount of £2 18s. 6.55d. per cent. With regard to the £7,500,000 of yearlings, the tenders amounted to £22,487,000, and applicants at £96 4s. 11½d. received about 1 per cent.; above in full. The average price of £96 11s. 8.42d. secured equals an average rate of discount of £3 8s. 3.58d. per cent.

British Treasury Bills.

Date of Maturity	Amount	Duration Months	Amount Tendered	Date of Issue	Aver. Rate of Discount %
Nov. 29, 1914 ...	1,500,000	6	3,922,000	May 25, 1914	2 10 10.56
Dec. 20, 1914 ...	1,000,000	6	1,814,000	June 18, 1914	2 0 6.827
Jan. 14, 1915 ...	2,000,000	5	3,378,000	July 9, 1914	2 10 7.31
Feb. 22, 1915 ...	15,000,000	6	42,115,000	Aug. 19, 1914	3 13 1.42
Feb. 23, 1915 ...	15,000,000	6	40,194,000	Aug. 26, 1914	3 15 6.09
Mar. 19, 1915 ...	7,500,000	6	24,561,000	Sept. 16, 1914	2 18 6.55
Sept. 19, 1915 ...	7,500,000	12	22,487,000	Sept. 16, 1914	3 8 3.58
Total ...	68,600,000				

Not issued by public tender.

INDIA STERLING BILLS.

TENDERS will be received at the Bank of England on Wednesday, September 23, for India bills to the amount of £2,000,000 to provide funds for capital expenditure on railways in India and for other purposes. The bills will be dated September 28, 1914, and will be payable at twelve months after date—viz., September 28, 1915.

BANK OF ENGLAND.

THURSDAY'S return showed a further reduction of £3,131,000 in the "other" securities, making a diminution of more than £8,000,000 in a fortnight and a total reduction in the Bank's portfolio in the fortnight of £10,384,000. Although the market has had to pay off this large amount of indebtedness to the Bank the bankers' balances or "other" deposits stand at the record figure of £135,042,000. The increase shown in Thursday's return was £4,338,000, chiefly due to Government disbursements. The public deposits were reduced by £5,763,000, making a decline of over £10,000,000 for the fortnight, beside which there was

an increase of £1,811,000 in the reserve. In spite of the further earmarking for special purposes the Bank received £1,222,000 in gold from abroad, and only lost about £10,000 in coin for the country. As there was a further contraction of about £600,000 in the note circulation, which has now been running down steadily for four weeks, the total reserve was raised from £30,737,000 to £32,548,000, and the proportion of reserve to liabilities is slightly higher again at 21.18 per cent.

At the general court of the Governor and Company of the Bank of England held on Thursday the Governor, Mr. Walter Cunliffe, stated that the profits for the half-year to August 31 amounted to £691,794, making the "rest" of that day £3,707,638, out of which it was proposed to pay a dividend of 5 per cent., less income tax. A similar distribution was made six months ago, thus making 10 per cent., less tax, for the past year, in comparison with annual dividends of 9 per cent., free of tax, for several previous years.

MONEY IN NEW YORK.

SOME real progress has been made during the past week in improving the financial position in New York. Not only have negotiations been concluded by which the short indebtedness of New York City will be financed, but steps have been taken to prepare for a resumption of more active business in exchange. More gold has been placed in Ottawa, and exchange upon London has declined appreciably. So long as there are Clearing-House certificates in existence the publication of the returns of the Associated Banks is being withheld. Taking the total returns of both the trust companies and the banks the last figures show some improvement. The loans, if it is true, are nearly £5¼ millions higher, but the reserves have increased by more than £1¼ millions, so that in spite of another addition of £3½ millions to the deposit liabilities, which now exceed £384,000,000, the deficit in the reserves has fallen from £7,426,000 to £7,014,000.

POSITION IN INDIA.

THE demand for Council Bills upon India is improving weekly. On Wednesday last 10 lacs were again offered, while 7¼ lacs were applied for and allotted, which compares with only three lacs in the previous week. The minimum rates were the same as previously. Whilst the demand for bills upon India is gradually increasing, the reverse sales of bills upon London are diminishing. The sales on Thursday last amounted to £335,000 only, as compared with £360,000 the previous week. The feature about Thursday's sales was the large proportion of telegraphic transfers, the relative proportion of the sales being £175,000 in bills and £160,000 in transfers.

The following are the minimum Rates of Discount current in India:—

Bombay ... 6 per cent. (Aug. 20, '14) | Bengal ... 5 per cent. (Aug. 7, '14).

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 16, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
s. d.	Rs.	Rs.		s. d.	Rs.	Rs.	
1 3¼	15,029	15,029	100	1 3¼	2,70,000	2,70,000	100
1 3½	4,90,000	4,90,000	100	—	—	—	—
Total ...	5,05,029	5,05,029	100	Total ...	2,70,000	2,70,000	100
Offered.				Tendered.			
Grand Total ... Rs. 10,00,000				Rs. 7,75,029			

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

BILLS.				Telegraphic Transfers.			
Re.	Average.	Minimum.		Re.	Average.	Minimum.	
Bombay ...	4,00,000	1/3 9/17	1/3 ¼ - 1/2 ...	—	—	—	—
Calcutta ...	—	—	—	2,70,000	1/3 9/16	1/3 ¼	—
Madras ...	1,05,029	1/3 9/41	1/3 ¼ - 1/2 ...	—	—	—	—

From April 1 to Sept. 15 inclusive the Council have granted remittance for Rs. 41,79,832, realising Rs. 6,15,853. Up to Sept. 16 of last financial year the total Bills and Transfers sold was Rs. 13,24,69,721, realising Rs. 8,852,127. The total sales for the week ended Sept. 15 amounted to Rs. 3,33,500, realising Rs. 22,173. The amount to be offered for tender next Wednesday will again be 10 lacs.

The following are the details regarding the sale by the Government of India of sterling bills and telegraphic transfers payable in London:—

		Tenders Invited £	Tenders Received £	Amount Accepted £
September 17	...	1,000,000	335,000	335,000
" 10	...	1,000,000	360,000	360,000
" 3	...	1,000,000	474,000	474,000
August 27	...	1,000,000	538,000	538,000
" 20	...	1,000,000	632,000	632,000
" 13	...	1,000,000	813,000	813,000
" 8	...	1,000,000	1,091,000	1,000,000

SILVER.

NOTWITHSTANDING currency requirements, not only for this country but also for America, the price of bar silver has been weak, showing to what extent the market is dependent upon the Eastern demand. Owing to the absence of Eastern support, the spot price, which left off last week at 25 $\frac{3}{4}$ d., had fallen by Tuesday to 23 $\frac{3}{4}$ d. Since then there has been a slight recovery to 23 $\frac{1}{2}$ d. per oz., showing a net fall of 1 $\frac{1}{2}$ d. on the week.

	Sept. 11	12	14	15	16	17	18
London	25 $\frac{3}{4}$ d.	25	24 $\frac{3}{4}$	23 $\frac{3}{4}$	24 $\frac{1}{2}$	24	23 $\frac{3}{4}$
Exchange...	1/3 $\frac{1}{2}$	Unreceived	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$	1/3 $\frac{1}{2}$

Stock Exchange.

TICKET DAY. PAY DAY. CONSOLS.

Settlement { Wed., Aug. 26 | *Thurs., Aug. 13 |
Days. { — | Thurs., Aug. 27 | —

* Deferred to October 14 for both General and end-August Consols Settlements.

- July 30. Bank of England rate to 4 per cent.
 „ 31. Bank of England rate to 8 per cent.
 Paris Bourse settlement deferred to August 31.
 London and New York Stock Exchanges did not open.
 General securities and Consols settlements deferred to August 27 and beginning of September.
- Aug. 1. Bank of England rate to 10 per cent.
 „ 3. Bank Holiday extended to August 6 inclusive.
 „ 4. War declaration Germany and England.
 German Reichstag authorises extraordinary expenditure of £265,000,000, suspends the 5 per cent. tax on excess circulation, authorises Imperial Bank to discount bills with only one signature, makes all Imperial paper legal tender, authorises Government to close bargains at prices the Government will fix, and grants advances up to £75,000,000 on German stocks and shares and goods of non-perishable nature, and one-half or one-third of assessable value on trade stock and industrial products placed under seal. (See *Times* of August 10, p. 5.)
 „ 6. British moratorium of month to September 4.
 „ 7. Banks reopen and issue of £1 Government (Treasury) notes (Currency and Bank Notes Act, 1914). Banks empowered to borrow Currency Notes from Government up to 20 per cent. of their liabilities on deposit and current account.
 Bank of England rate to 6 per cent.
 „ 8. Bank of England rate to 5 per cent.
 „ 12. General securities and Consols settlements on London Stock Exchange further deferred to September 14 and September 7 respectively.
 German branch banks in London permitted to resume business.
 „ 13. Government guarantees bills of exchange discounted at the Bank of England.
 Measure for holding gold in Colonies for account of the Bank of England.
 „ 17. Provision for paying Rand mining companies' dividends.
 „ 19. Issue of £15,000,000 six months' Treasury bills.
 „ 20. Action of Continental banks in reducing their official rates. France 6 to 5, Holland 6 to 5, Norway 6 $\frac{1}{2}$ to 5 $\frac{1}{2}$.
 „ 21. News of entry into Mexico of General Carranza.
 „ 26. Issue of £15,000,000 six months' Treasury bills.
 Parliament approves measures for increase of Government (Treasury) certificates and notes.
 „ 27. Ditto as to a War Loan Bill, also leniency to debtors.

- Sept. 1. Royal Proclamation of the British moratorium being extended to October 4.
 „ 4. Further deferment of Stock Exchange Settlements; Consols and General to October 14.
 „ 5. Government action to assist acceptors of bills
 „ 10. £1,000,000 Metropolitan Water Board six months' bills to replace existing issue.
 „ 11. Issue of £15,000,000 Treasury bills, as to half six months and the other half twelve months.
 German 5 per Cent. Treasury Bond Five-year Loan. £50,000,000 5 per Cent. Treasury Bonds (five years). Also an unstated amount of 5 per Cent. Ten-year Bonds.
 „ 14. Stock Exchange Committee confirms resolutions:—
 “That no member shall do a bargain or negotiate a purchase or sale whether between members or non-members in British, Indian and Colonial Government Securities, County, Corporation, Public Boards, Provincial (British, Indian and Colonial), Colonial and Provincial Guaranteed and any ‘Trustee’ Securities at a less price than the lower of the prices quoted in the subjoined List (of 800 to 900 securities, copy of which can be obtained at the Secretary's Office, and *vide* Daily papers of September 15).
 “That a dealer who has sold securities shall satisfy brokers' limits or orders before selling such securities off his own book or undoing his bargain with a fellow-dealer.
 “That all bargains in securities for which prices have been fixed shall be for cash, and no time bargains or options shall be allowed.”
 (Also see War Chronology, page 615.)

Friday Evening.

REFERENCE is made in the Chronology above to the issue on Monday, September 14, of an official announcement by the Stock Exchange Committee. Though the Stock Exchange remains closed, the position presented is rather an anomalous one, as the effect of the announcement, apparently, is of the nature of an authorisation to Stock Exchange members to effect transactions for cash and for cash only. But in the schedule of about eight or nine hundred securities that accompanied the notice on Monday last quotations are given, and it will be noted that no member of the Stock Exchange is permitted to deal at any price outside those given. For instance, transactions in Consols for cash are restricted to a minimum of 68 $\frac{1}{2}$ and a maximum of 69 $\frac{1}{2}$, and dealings during the week have been arranged within that margin. On the success of the Allies business was done on Tuesday morning at about the level of 69 $\frac{1}{2}$, but the bulk of the business after the first start was about the region of 68 $\frac{3}{4}$. Stock Exchange opinion generally is very divided as to the wisdom of the step which the Committee have taken.

It appears to be understood, though we gather there has been no official representation to back up the assertion, that the inquiries recently made by the Stock Exchange Committee from the members of that institution as to the extent of their borrowings from banks and other institutions has been found to aggregate about 80 millions. We mention this figure with all reserve, and it is preferable, before anyone forms any conclusion, that a definite official announcement should be awaited.

All through we have had the belief that the open commitments in respect of the carry-over at the end of July, and the business done afterwards up to and inclusive of July 30, were nothing like the dimensions popularly supposed to be the case. The volume of business done while the markets were crumbling away right and left was very greatly restricted as a consequence of the disinclination of dealers, knowing that the trend was all one way, to make prices. They drastically marked down prices, and where prices were mentioned they were generally as a basis for entering into negotiations. Apparently the volume of transactions for the new account was not of such large extent prior to July 31 as popularly believed in.

We take it that the Committee at the present time has the information as to the extent of the account open as well as the amount of loans outstanding. It is to be recognised that as matters now are the moratorium staves off difficulties, but it does not remove them. The conviction is held that the war will end the fear of political complications that has hung over the markets for years past, and that the conclusion of peace and the abolition of militarism and its crippling influence would mean a rebound in markets in several directions indeed, to higher prices than those prevalent before the outbreak of the war. If, therefore, both in respect of loans and settlement of contango business and new bargains prior to the closing of the Stock Exchange, means can be devised for leaving matters *in statu quo* until peace is restored there would be no wholesale ruin, such as would occur were a compulsory settlement enforced in a time when prices are no criterion of intrinsic value.

Since the closing of the "House" the cash transactions entered into by arrangements effected at the offices of members or in the street do not appear to have been on any appreciably large scale. In the main business is for account of what may be described as bargain-hunters, who, having a few pounds for which they have no immediate requirement, have been investing in small purchases. Perhaps the most active market for the time being is that for Home Railway securities. In some of the industrial sections the small investor has made his appearance, picking up shares of armament, oil, &c., companies, and a fair number of small purchases have also been effected of mining shares, principally gold shares.

There have this week been announced three dividends of interest. Armstrong, Whitworth and Company declare the same interim rate of 10 per cent. upon the Ordinary shares as a year ago. Such dividend is on an increased amount of capital. Cammell, Laird will pay interim dividends on the Preference and Ordinary shares of $2\frac{1}{2}$ per cent. The Birmingham Small Arms Company, in addition to its Preference dividends, announces a dividend for the half-year on the Ordinary shares of 2s. plus a bonus of 1s. per share, making altogether 15 per cent. for the year, the same as for the previous year.

AMERICAN RAILWAY RATES.

This week the Eastern railroads of the United States have petitioned the Interstate Commerce Commission to grant a rehearsing of the application for a 5 per cent. advance in freight rates, in which they were only partially successful at the first hearing. This decision on the part of the railroads follows closely upon a conference held at Washington last week between President Wilson and a committee of railroad presidents consisting of Mr. Frank Trumbull, Chairman of the Chesapeake and Ohio and of the Missouri, Kansas and Texas lines; Mr. Samuel Rea, President of the Pennsylvania Railroad; Mr. Daniel Willard, President of the Baltimore and Ohio; Mr. Fairfax Harrison, President of the Southern; Mr. E. P. Ripley, President of the Atchison; and Mr. Hale Holden, the new President of the Burlington. Mr. Trumbull acted as Chairman of the Committee. It will be remembered that on August 1 the Interstate Commerce Commission announced its decision regarding the application by the Eastern railroads for an increase of 5 per cent. in freight rates, and granted small increases only in certain sections of the country and in only a limited number of commodities, while in other sections no rise in rates whatever was conceded. In view of the heavy burdens placed upon the railroads in recent years for which no compensation has been forthcoming, the railroads felt they had gained little by their application to the Com-

mission. Now that the war has broken out and that the companies are experiencing a heavy fall in gross revenue in consequence thereof, as well as extreme difficulty in meeting the immense amount of obligations maturing in the near future, it is felt that steps should be taken by the Administration of the United States to come to the aid of the railways, upon the prosperity of which so many of the important industries of the country largely depend.

Interest in New York is now naturally centred upon the outcome of the appeal to the Interstate Commerce Commission. The general impression seems to be that the Commissioners may decide at an early date to reopen the case without delay, and that the railways will be able to present a strong case in view of the various new factors and circumstances that have arisen since they prepared their evidence in the autumn of 1913. It is certainly to be hoped that, if the Commissioners agree to a rehearing, no unreasonable delay will occur before their judgment is rendered, in view of the present state of affairs, for upon their decision depends so much that is vital to the prosperity not only of the American railroads, but of the United States generally.

SOUTHERN RAILWAY.

The directors of the Southern Railway have postponed until next month taking action on the question of dividend on the Five per Cent. Preferred stock. This decision cannot at present be taken as indicating either the suspension of, or a delay in, paying the dividend. Usually the directors meet in the week corresponding to that just closing to consider the question but such dividend is not paid until the close of October, so that the distribution decided upon a month hence could probably be made as usual at the close of October. The reason given for postponing action on the dividend is the disturbance of the Southern Cotton markets resulting from the war. Probably no railway in the United States is more closely associated with the cotton trade than the Southern, the prosperity of which has been in no small degree due to the steadiness until recently of the price of cotton. Although not so profitable a period as 1912-13, the year 1913-14 has been quite satisfactory, the profits for the former year having been equal to the full dividend on the Preferred stock and to 3.4 per cent. on the Common, against a shade over 2 per cent. earned on the Common in 1913-14.

NATIONAL RAILWAYS OF MEXICO.

WHILST the meagre information to hand concerning railway affairs in Mexico is rather disquieting, the bondholders and noteholders of the National Railways of Mexico should not be unduly alarmed by the announcement this week that the Carranza Government has seized that undertaking. Reports to hand further state that the road will be known in future as the Constitutionalist Railways of Mexico, and that all the operating and other officials have been expelled, their places having been filled by employees of the Constitutionlists. According to *Reuter's* New York

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correspondent, this action on the part of the Constitutionalists is to be the subject of an official complaint in Washington. Beyond this practically nothing is known on this side at the moment concerning the railway position in Mexico, and until further data are available it is impossible to appreciate the action of the Constitutionalists in this direction. The National Railways is a Mexican undertaking controlled by the Mexican Government through ownership of almost the entire amount of Common stock and large holdings of Preferred stock. Practically all the bonded capital has been supplied by the investors of the United States, the United Kingdom, and of European countries, and it seems inconceivable that the Carranza Government, or whatever party is in power, would fail to meet interest obligations on the bonds and notes. When the country eventually settles down—and it is earnestly trusted that such will soon prove to be the case—considerable additional capital will be required by Mexico, and unless the Government fulfils its obligations investors will hesitate before placing their savings in that country.

ALABAMA, NEW ORLEANS, TEXAS AND PACIFIC JUNCTION RYS. CO.

THAT the dividend of this Company to be paid out of the income of 1914 will be considerably lower than that paid in March last out of the income of 1913 is plainly evident from the distributions that have recently been declared by the three small railway undertakings, operating in the Southern portion of the United States, which it owns and controls by the ownership of almost all the outstanding capital. The fiscal year of these three railways ends June 30, and any dividends for that period are paid annually in September. Of the three companies, the Alabama and Vicksburg has made no change in its distribution, which remains at 7 per cent. on the Common stock. In the case of the New Orleans and North Eastern, however, the dividend on the Common has been reduced from 5 per cent. to 1 per cent., and as the holding Company owns \$5,336,300 of the stock its income from this source will be approximately £42,000 lower. Further, the Vicksburg, Shreveport and Pacific Railway, while paying the full dividend on its Preferred stock, is not making any distribution this year upon its Common, on which it paid 2 per cent. a year ago. The holding Company by ownership of \$2,773,500 of Vicksburg stock thus loses on this account a sum of about £11,000. Interest is also held in the South Western Construction Company, which in turn owns the capital stock of the Cincinnati, New Orleans and Texas Pacific Railway, and the extent to which income from that source may be affected will depend upon the next dividend payment of the Cincinnati Company towards the close of the year. However, as the position stands at present there is an apparent reduction of £53,000 in the income of 1914, and inasmuch as the profit available for the holding Company's Six per Cent. Preferred "A" stock last year was £65,000, the amount available for dividend in March next will be only about £12,000, a sum not quite sufficient to pay 1 per cent. upon the £1,500,000 of Preferred stock. That the reductions in the dividends of the subsidiary undertakings have had to be made and that the income of the holding Company has been so considerably reduced are not due in any way to poor earnings, the receipts for the past year having been somewhat better than those for 1912-13. The reason lies in the direction of expenses, more especially for maintenance and hire of equipment, expenditures under this head having been unduly swollen by reason of the necessity of the companies to comply with requirements to replace existing equipment with all-steel cars. This work is being proceeded with apace

and will eventually be completed. Until the work has been accomplished the Company can scarcely be expected to be in a position to pay the full dividend on its Preferred stock, while the question of dealing with the arrears of dividend, amounting to about £17½ per £10 share, must also be deferred.

OTTOMAN RAILWAY FROM SMYRNA TO AIDIN.

OWING to the European war and the consequent unsettled position of affairs in the Ottoman Empire the Council of Administration of the Ottoman Railway from Smyrna to Aidin have decided to make no interim distribution in respect of the past half-year. The six months ending with June is the lean period of the year and usually the Company barely earns its fixed interest charges. Twelve months ago, for instance, the net revenue balance amounted to only £69,769, whereas interest charges called for a sum of £73,546. Thus there was a deficit for the half-year in earning fixed charges of £3,777. Of course, this is more than made good in the December period, when the whole of the profits are earned. In the past six months the Company has been exceptionally prosperous, having earned a profit in excess of charges of no less than £37,109, and after paying the dividend on the Preference shares there is a balance for the Ordinary of £25,109. This is more than sufficient to provide the usual interim dividend at the rate of 4 per cent. per annum, and but for the outbreak of war such a distribution would doubtless have been made. The balance brought in from 1913 was £75,860, and the balance now carried forward is therefore raised to £98,463. The excellence of the half-year's results will be appreciated from the following comparison:—

		June Half-Year.			
		1913	1912	—Inc. or Dec.—	
		£	£	£	%
Gross earnings ...	...	197,938	148,748	+49,190	+33.0
Expenses ...	...	86,420	79,009	+7,411	+9.3
Ratio ...	...	(43.66)	(53.13)	— (9.47)	—
Net earnings ...	...	111,518	69,739	+41,779	+60.0
Miscellaneous ...	...	98	30	+68	—
Net income ...	...	111,616	69,769	+41,847	+60.0
Fixed charges ...	...	74,507	73,546	+961	—
Profit ...	...	37,109	Loss 3,777	+40,886	—
6% div. on Pref. shares...	...	9,000	9,000	—	—
Profit for Ordinary ...	...	28,109	Loss 12,777	+40,886	—
Ordinary dividend ...	...	Nil	19,887	—19,887	—
Rate per cent.	...	—	(4 %)	—	—
Balance ...	...	28,109	Dr. 32,664	+60,773	—
To renewals ...	...	5,506	5,506	—	—
Balance ...	...	Cr. 22,603	Dr. 38,170	+60,773	—
Brought forward ...	...	75,860	74,704	+1,156	—
Carried forward ...	...	93,463	36,554	+61,929	—

It is, of course, impossible to foresee even approximately the outcome of the current half-year under the abnormal conditions now obtaining. But assuming that the Company is able to maintain its profits for the six months at the level of the December half of 1913 the balance available for the Ordinary in the current year would amount to no less than £124,000, a sum equal to a dividend of about 12½ per cent. on the shares. Last year, it will be recollected, the profit for dividend was £83,200, or sufficient to have paid 8½ per cent. on the shares. In consequence of this excellent showing the distribution was raised from 5½ per cent. to 6 per cent., the sum of £22,385 was placed to reserve, renewals, &c., and the carry-forward raised to £75,860. It will be appreciated, therefore, that a heavy falling off in revenue could be witnessed before a reduction in the dividend was inevitable. Whilst, as we have said, it is quite impossible to calculate the results for the current half-year, it is more than probable that last year's dividend of 6 per cent. will be maintained, unless, of course, the war develops in a manner at present unforeseen.

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Mining Topics.

We present below tables of prices on the London Stock Exchange of shares of leading diamond, gold, and base metal producing companies, giving the "making-up" prices of both the mid- and end-July accounts, and the nominal quotations at the close of the markets on July 30, the last day when the Stock Exchange was open. It is to be recalled the differences in prices at July 30 and the making-up prices of July 24 arose from no discovery of demerits in the nature of the securities, but from the spasm brought about by the war declarations. The acute position put an end to any idea of buying, and with no buyers around and with nervous people seeking to close their commitments and to effect realisations of securities held, the marking down of prices must not be taken as

indicative of the extent of business. The volume of transactions, indeed, is represented by those in a position to be able to speak with knowledge to have been very small.

Speculations open at the time of the war crisis in the great majority of cases were on an extremely small scale. For quite two years past events had been of such disquieting character as to deter the usual trend of speculators to dabble in the Stock markets, and the volume of speculative account carried over at each settlement had been constantly shrinking in the Mining department. Prior to the débâcle prices of several shares were estimated by experts as much undervalued; not invariably so, however, for in some securities of international character speculations for the fall are known to have been kept open. Further speculation for the fall occurred in July in De Beers, Rand Mines, Modders, and some of the deep-level Rand mining shares, and also in Rio Tintos. In such class of free-market securities late in July the extent of speculation for the fall was greater than the small extent of open speculation for the rise. One or two of the Eastern Rand companies' shares, and also here and there Russian copper companies' shares, had been speculatively bought on the prospects as they were prior to the war chaos. To some extent the latter category of shares was doubtless sought to be disposed of in London on account of Continental holders. But attention has to be given to the fact that, apart from the influence of the war on individual securities, the intrinsic merits of mines of approved or promising character are but little affected. There are some exceptions in respect of mines producing base metals. With gold mines the outlook is in general of continued effort to increase output. We reiterate our opinion that those persons who are not under the necessity of selling for cash requirements will be well advised to refrain from doing so at anything like what is understood to be the current level of prices.

		Make-up Mid-July	Make-up End July	Closing, July 30
De Beers Deferred	...	18½	15½	13½
Jagersfontein	...	4½	3½	3½
Premier Deferred	...	7½	7½	6
Brakpan	...	2½	2½	2½
City and Suburban	...	2½	2½	2½xd
City Deep	...	3½	3½	2½
Consolidated Langlaagte	...	1½	1½	1½
Crown Mines	...	6½	5½	5½
East Rand Proprietary	...	1½	1½	1½
Geduld	...	1½	1½	1
Government Areas	...	1½	1½	1
Meyer and Charlton	...	5½	5½	4½
Modderfontein	...	13½	13½	11
" B	...	4½	4½	3½
" Deep	...	2½	2½	2½
Nourse Mines	...	1½	1½	1½
Randfontein Central	...	2½	2½	1½
Robinson Deep	...	1½	1½	1xd
Rose Deep	...	2½	2½	1½
Van Ryn	...	3½	2½	2½
" Deep	...	2½	2½	1½
Village Deep	...	2½	1½	1½
Witwatersrand Deep	...	2½	2½	2
" Gold (Knights)	...	3½	3½	2½
Central Mining	...	8½	7½	6xd
Consolidated Gold Fields	...	2½	2½	1½
Johannesburg Cons. Invest.	...	19/9	19/0	16/6
Rand Mines	...	6½	5½	4½
Chartered	...	17/9	16/0	13/3
Cam and Motor	...	20/3	19/8	16/6
Globe and Phoenix	...	1½	1½	1½xd
Gold Fields Rhodesian	...	12/3	10/9	9/0
Lonely	...	1½	1½	1½
Shamva	...	2½	2½	1½
Tanganyika	...	2½	1½	1½
Gold Coast Amalgamated	...	2½	1½	1½
Pretea A	...	1½	1½	1½
Taqnah	...	1½	1½	1½
Golden Horse-Shoe	...	2½	2½	2½
Ivanhoe	...	2½	2½	2½xd
Alaska Treadwell	...	8½	8½	8
Mexico El Oro	...	4½	4½	4½

			Make-up Mid-July	Make-up End July	Closing July 30
Kirkland Proprietary	...	...	3½	3½	2½
Tough-Oakes	...	...	s/s	1½	1½
Champion Reef	...	...	11/0	10/9	10/6
Mysore	...	...	4¾	4½	4
Amalgamated Zinc	...	...	28/0	28/0	25/0
Broken Hill Proprietary	...	...	36/0	33/6	30/0
" Block 10	...	...	31/9	29/0	28/3
" North	...	...	53/0	51/0	45/0
" South	...	...	9	8½	7½
Zinc Corporation	...	...	19/0	18/3	16/0
Kyshtim	...	...	2½	2½	1½
Lena	...	...	2½	1½	1½
Russo-Asiatic	...	...	8	7½	4½
Spassky	...	...	2½	2½	1½
Tanalyk	...	...	4	3½	2½
Anaconda	...	...	6½	5½	5
Mount Elliott	...	...	2½	2½	2½
Mount Lyell	...	...	23/9	23/6	1½
Mount Morgan	...	...	53/9	2½	2½
Otavi	...	...	5½	4½	4½
Rio Tinto	...	...	69½	61	53
Utah	...	...	12	11½	10

A correspondent associated with an important mining company demurs at our remarks last week upon Rand labour, and calls our attention to the fact that a large majority of the Rand whites in the troubles of July last year acted with the greatest loyalty. We quite recognise the pertinency of his remarks, but apparently he overlooks our use of the word "labourers" instead of employees. We advisedly used the first expression, for the defections were on the part of a section of whites who, from their point of view, acted with loyalty to their unions. They sought, however, to coerce comrades into an unreasonable course of conduct, being largely misled by ignorant agitators who acted as traitors to the true interests of their class.

Beyond the dividend announcements of American copper companies that we referred to last week, (p. 558), we have to record that the Calumet and Hecla declared no dividend. The Utah Company, however, has announced the usual quarterly distribution of 75 cents. The curtailment of output by the principal American companies is reported to be near to 30,000,000 lb. per month, or a rate of, say, 161,000 tons per annum.

Shamva.—Issued capital £600,000.

1914	Tons Crushed	Value £	Per Ton	Ex- penses*	Per Ton	Profit £	Per Ton	Price of Share
Feb. ...	18,578	5,461	—	—	—	—	—	2½
Mar. ...	31,855	14,233	—	—	—	—	—	2½
Apr. ...	39,012	27,412	14/1	15,280	7/10	11,200	5/9	2½
May ...	46,730	22,489	9/8	17,489	7/6	5,000	2/2	2½
June ...	46,787	23,551	12/2	17,705	7/7	10,856	4/7	2½
July ...	50,522	33,455	15/2	19,851	7/10	18,604	7/4	1½
Aug. ...	47,718	31,233	13/1	18,160	7/7	13,123	5/6	—

* Inclusive of royalty.

Milling was suspended for the first two weeks of September owing to accident to gravity hoist.

While there are vicissitudes in the direction of extraction value per ton treated, it is gratifying to observe that the record of costs per ton for the past six months has averaged distinctly under 8s. per ton.

Wolluter.—Recent developments as under:—

Year ends October 31	West Section— Stope			East Section— Stope		
	Sampled Feet	Width Inches	Value	Sampled Feet	Width Inches	Value
12 months, 1909-10	4,218	50.7	24/8	4,587	50.2	33/1
" 1910-11	5,097	47.0	23/4	5,444	47.0	30/7
" 1911-12	5,071	50.6	23.2	3,449	48.9	31/10
" 1912-13	5,114	51.1	20/10	3,554	52.0	29/4
1914.						
Apr. qr. ...	1,174	55.6	33/7	2,369	51.4	20/0
July qr. ...	1,647	55.3	27/7	2,815	50.9	18/3

BROKEN HILL'S ZINC CONCENTRATES TREATMENT.

In our issues of August 8 and 15 we mentioned the fact that the Broken Hill lead and zinc mining industry would be affected by the inability of Germany to accept delivery of and smelt the very large quantity of concentrated ores usually obtained from the Broken Hill mining and treatment concerns, and we stated that steps will have to be taken for expanding smelter accommodation in this country. In regard to zinc smelting a move is already being made. From the current number of the *Mining Magazine* we note that the Zinc Corporation of Broken Hill, in conjunction with the Burma Corporation, is making arrangements to erect a zinc-smelting plant. Our contemporary states that Mr. T. J. Hoover, who is a director of both the before-mentioned concerns, is in America to secure the necessary skilled labour, and American and Belgian workmen have been engaged. As regards money, our contemporary proceeds, "we understand that the leaders of the galvanized iron industry are eager to see zinc-smelting firmly established in this country and are prepared to furnish capital, a sufficient amount of which, however, is already at the disposal of the Zinc Corporation, as soon as the moratorium is lifted." The Zinc Corporation is one of the largest producers of zinc concentrates on the Broken Hill field, and its future prospects as regards output are very good, inasmuch as its South Blocks mine contains a solid zinc ore body, in addition to which the Company has large quantities of untreated zinc tailings. The Burma Corporation is a big affair, as yet only in the initial stages of development, with strong indications that the mines contain very large and rich zinc-lead and lead-zinc ore bodies.

ZINC CORPORATION.

A CIRCULAR issued late in the week announces that in consequence of the war the Corporation is unable to sell its zinc concentrates to the smelters in Germany, and, as regards lead concentrates, the market for lead being disorganised and restricted, the Broken Hill Proprietary, the buyers of the concentrates, are not operating their smelters. Under these conditions the directors regret it is not possible to earn dividends. At the commencement of the war the Company's zinc concentrator was shut down. The lead concentrator was continued in operation mainly to afford as much employment as possible for labour, but unless the concentrates can be sold it is impossible to continue running this plant either. Negotiations for combination between the leading companies are proceeding with a view to continuing the mines in limited operation on joint account, but nothing has yet been agreed to. We refer elsewhere to the fact that the directors of the Corporation are considering the advisability of erecting their own zinc smelters in this country. The circular states that the chief difficulty in this respect is the size of the works required and the corresponding amount of capital requisite for their construction and operation.

Burma Corporation.—Cabled advice dated September 15 states that drill hole No. 4, measured along the dip, cut ore at 100 feet, and the ensuing 65 feet of the core showed the following values:—

	Silver Oz.	Lead %	Zinc %
For 35 feet	18	17	10
" 30 "	45	35	30
The bottom of the hole is still in high-grade ore. It is further advised that cross-cuts at 67 feet down the internal shaft from the 171-foot or lowest level disclose the following values:—			
	Silver Oz.	Lead %	Zinc %
45 feet	22	25	34
35 "	8	12	8

At 86 feet the ore is mixed, but this is described as normal according to ore disposition. Owing to disorganisation of cable facilities there had been no information received for six weeks prior to the last advice. Up to July 28 the showings in the internal shaft were as under:—

Internal Shaft from 171-Foot Level.

			Assay Values		
			Silver	Lead	Zinc
			Oz.	%	%
At 11 feet down	...	...	15	20	43
" 16 "	"	"	23	31	35
" 21 "	"	"	19	22	42
" 26 "	"	"	25	32	28
" 31 "	"	"	7	10½	26

It will be noticed that the internal shaft had to July 28 been sunk to 31 feet only, while the latest advice is that cross-cuts have been put out at 67 feet. Mail advices will have to be awaited to see whether between 31 feet and 67 feet the internal shaft was in ore or not. Information as to the location of the bore hole No. 4 will also, no doubt, be forthcoming later on, but in any case it is apparent that the initial indications of large and rich lead-zinc-silver ore bodies are being borne out by current developments.

TAQUAH.

For the year to June 30, 1914, it has to be borne in mind that the Company, through troubles with the power plant, had its working operations considerably interfered with for practically half the period. Nevertheless, it was able to deal with 58,746 tons, as against 61,607 tons in the previous twelve months. It is to be noted from the table below that the profit estimated for each of the last two financial years is after a liberal allowance has been made for depreciation and taxes, and it looks as if for each of the past two years the sum so set aside has been about £20,000. Taking the July 1914 figures it will further be noted that as against a decrease of 1s. 7d. in the yield per ton milled, compared with 1913-14, there was a diminution in the working expenses of 7s. per ton. Were results for the July period continued it would mean, after allowance for depreciation and taxes, a net profit of approximately £70,000, as against £45,000 secured for the whole of the year to June 30, 1914. With these explanations the table given herewith will be better appreciated than were these facts not referred to:—

TAQUAH MINING AND EXPLORATION COMPANY.—Issued capital £349,973, in £1 shares. There are also in issue Income bonds which do not figure in the balance sheet for any nominal amount, but have rights to dividend to the equivalent of 37,500 shares.

Milling resumed with part of plant, August 1911.

Year ends		Tons	Value		Expenses*		Profit†		Price end of Period
June 30	Stps.	(2,000 lb.)	Amt.	Per Ton	Amt.	Per Ton	Amt.	Per Ton	
1912-13 ...	30	61,607	179,591	58/3	112,492	36/6	67,099	21/9	1½
1913-14 ...	40	58,74	179,110	60/11	114,555‡	39/0	45,045‡	15/4	?
1914-15.									
July ...	40	5,710	18,946	59/4	9,136	32/0	5,831	20/6	1½
Aug. ...	—	—	18,961	—	—	—	—	—	—

* Expenses include development redemption, London office charges and interest.

† Profit is the net profit after allowing for depreciation and taxes.

‡ Estimated.

Dividends—1908-09, 10 per cent.; 1909-10, nil; 1912-13, nil 1913-14, May, 5 per cent.

RAND GOLD OUTPUT.

Brakpan.—Capital issued, 750,000 £1 shares; 160 stamps. Eight tube mills now working.

Year ends		Tons	Sort-	Revenue	Expenses	Profit	Price			
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period			
1913	...149	613,269	13½	865,314	28/3	574,524	18/9	290,790	9/6	2½
1914.										
Mar. qr.	140	139,328	13	192,981	27/8	135,195	19/4	57,786	8/4	2½
June qr.	140	151,950	13	212,032	27/10	144,964	19/0	67,068	8/10	2½
July	... 140	57,280	—	78,110	27/3	50,096	17/6	28,014	9/9	2½
Aug.	... 140	56,300	—	76,788	27/3	49,003	17/5	27,785	9/10	2½

After September 1913 the fixed charge for development was increased to 2s. 6d. per ton milled, in view of the small percentage payable for the time being and restriction of tonnage milled owing to shortage of labour.

Dividends—1913, June, 20; Dec., 12½ per cent.
1914, June, 12½ per cent.

Crown Mines.—Capital £1,000,000, in 2,000,000 shares of 10s. each; issued, 1,880,212. £1,000,000 Five per Cent. Debentures. Milling capacity about 232,000 tons per month. 1913 figures and since include accumulated slimes.

Year ends	Dec. 31	Stps.	Tons Milled	Sort- ing	Revenue		Expenses		Profit		Price end of Period
					Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	
1913	...	660	2,195,600	11½	3,248,131	29/7	1,806,658	18/5	1,442,472	13/2	8½
1914.											
Mar. qr.	660	514,000	—	—	708,075	27/6	395,568	15/5	312,507	12/1	8
June qr.	660	594,000	—	—	774,838	28/1	455,839	15/4	318,999	10/9	6
July	...	660	214,000	—	272,389	25/5	182,704	15/2	109,685	10/3	5½
Aug.	...	—	—	—	—	—	—	—	91,398	—	—

Dividends—1913, June, 55; Dec., 55 per cent.
1914, June, 55 per cent.

Durban Roodepoort Deep.—£440,000, in £1 shares. Three tube mills. Crushing capacity, 25,000 tons a month.

Year ends	Dec. 31	Stps.	Tons Milled	Sort- ing	Revenue		Expenses		Profit		Price end of Period
					Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	
1913	...	100	291,590	13	420,412	28/10	356,176	24/5	64,236	4/5	1½
1914.											
Mar. qr.	100	65,800	10½	—	88,828	27/0	81,051	24/8	7,775	2/4	1½
June qr.	100	78,600	—	—	111,816	28/4	92,780	23/7	18,835	4/9	1½
July	...	100	27,860	—	38,347	27/6	31,883	22/11	6,464	4/7	1½
Aug.	...	—	—	—	—	—	—	—	5,625	—	—

Dividends—1913, June, 5 per cent.; December, nil.
1914, June, 3½ per cent.

East Rand Proprietary Mines.—Capital issued £2,445,897, in £1 shares; £1,400,000 Convertible Five per Cent. Debentures in issue. Twenty-five tube mills.

Year ends	Dec. 31	Stps.	Tons Milled	Sort- ing	Revenue		Expenses		Profit		Price end of Period
					Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	
913	...	820	1,769,000	9½	2,788,832	31/6	1,775,688	20/1	1,013,144	11/5	2½
1914.											
Mar. qr.	820	385,600	8½	—	586,473	30/5	425,654	22/1	160,819	8/4	1½
June qr.	820	453,000	8½	—	663,838	29/3	456,016	20/1	207,822	9/2	1½
July	...	820	172,500	—	241,100	27/11	158,869	18/5	82,231	9/6	1½
Aug.	...	820	172,350	—	237,748	27/7	157,298	18/5	80,448	9/4	1½

Accumulated slimes profits included in 1913-14 profits.

Dividends—1913, August, 12½; Dec., 12½ per cent.
1914, June, 7½ per cent.

Ferreira Deep.—£980,000, in £1 shares. Mills, 280 stamps and 7 tubes.

Year ends	Sept. 30	Stps.	Tons Milled	Sort- ing	Revenue		Expenses		Profit		Price end of Period
					Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	
1912-13	245	647,553	13½	—	1,343,941	41/6	649,308	20/1	669,214	21/5	2½
1913-14.											
Dec. qr.	245	160,320	11	—	296,072	36/11	142,404	17/9	153,668	19/2	2½
Mar. qr.	245	156,990	12½	—	318,604	40/7	141,187	18/0	177,417	22/7	2½
June qr.	273½	176,800	—	—	321,281	36/4	150,681	17/1	170,600	19/3	2½
July	...	280	62,160	—	107,261	34/6	52,386	16/10	54,895	17/8	2
Aug.	...	—	—	—	—	—	—	—	50,115	—	—

Profits from accumulated slimes treated are included in profits

Dividends—1913, March, 25; Sept., 25 per cent.
1914, March, 25 per cent.

Geduld Proprietary.—The capital authorised is £1,000,000; issued, £922,500, in £1 shares. Plant has been enlarged to 60 stamps and five tubes, having a capacity of 24,000 tons a month.

Year ends	Dec. 31	Stps.	Tons Milled	Sort- ing	Revenue		Expenses		Profit		Price end of Period
					Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	
1913	...	—	182,980	13½	257,268	28/1	226,533	24/9	30,735	3/4†	1½
1914.											
Mar. qr.	53½	53,650	12½	—	87,086	32/5	64,373	23/11	22,693	8/6	1½
June qr.	50	56,740	—	—	90,411	31/10	67,388	23/9	23,023	8/1	1½
July	...	50	20,605	—	33,333	32/4	27,657	26/3	6,276	6/1	1
Aug.	...	50	23,010	—	39,181	34/0	8,702	24/11	10,479	9/1	1

† The smallness of this figure is due to the heavy loss incurred during the strike; also to interference through extension of plant.

Goldenhuis Deep.—Capital, £600,000; issued, 585,753 £1 shares. 300 stamps, 7 tube mills. Capacity, 720,000 tons a year.

Year ends	Dec. 31	Stps.	Tons Milled	Sort- ing	Revenue		Expenses		Profit		Price end of Period
					Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	
1913	...	300	624,010	13½	9,6,801	29/1	761,267	24/5	145,534	4/8	1½
1914.											
Mar. qr.	300	133,500	9½	—	188,408	28/2	160,739	24/1	27,669	4/1	1½
June qr.	300	152,200	—	—	208,070	27/4	171,775	22/7	36,295	4/9	1½
July	...	300	55,400	—	73,665	27/7	57,864	21/8	15,791	5/11	1½
Aug.	...	—	—	—	—	—	—	—	11,350	—	—

1913 returns and since include yield from accumulated slimes.

Dividends—1913, June, 10; Dec., 7½ per cent.
1914, June, 8½ per cent.

TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 18, 1914.

Issue Department.		
Notes Issued.....	£66,484,325	Government Debt..... £11,015,100
		Other Securities 7,434,900
		Gold Coin and Bullion..... 48,034,325
	£66,484,325	£66,484,325
Banking Department.		
Proprietors' Capital.....	£14,553,000	Government Securities ... £25,669,025
Reserve.....	3,755,539	Other Securities 113,792,525
Public Deposits.....	18,643,497	Notes 31,861,595
Other Deposits.....	135,042,071	Gold and Silver Coin 686,167
Seven-day and other Bills.....	15,235	
	£172,009,312	£172,009,312

Comparison with Four Previous Weeks.

[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.		Securities.		Re-serves.	Bank Rate.	3 Mths' Bills.
			Public.	Other.	Govt.	Other.		%	%
Aug. 19	37.2	37.9	13.7	108.1	26.0	94.7	19.2	5°	51
— 28	35.6	43.5	23.9	123.9	29.8	109.9	26.3	—	41
Sept. 2	35.3	47.8	28.7	133.8	28.0	121.8	30.9	—	41
— 9	35.2	47.5	24.4	131.0	25.7	117.0	30.7	—	31
— 16	34.6	48.7	18.6	135.0	25.7	113.8	32.5	—	31

* August 8, 1914.

CURRENCY NOTE ISSUE.—The amount of currency notes issued and in circulation is as follows:—

I.—Issue Account.

Date 1914	Notes Issued	Notes Cancelled	Notes Outstanding
Aug. 26 ...	23,200,617	1,663,553	21,535,064
Sept. 2 ...	4,103,218	481,796	25,156,486
— 9 ...	2,991,300	1,044,859	27,113,127
— 16 ...	1,615,030	1,311,196	27,416,931

II.—Balance Sheet, Sept. 16, 1914.

Advances—		£	
Notes outstanding	27,416,931	Scottish and Irish Banks of Issue	—
		Other Bankers	1,514,200
		P. O. Savings Bank	2,250,000
		Trustee Savings Banks	1,350,000
		Currency Note Redemption A/c	—
		Gold Coin and Bullion	3,500,000
		Government Securities	10,923,546
		Balance at Bank of England	7,879,185
	£27,416,931		£27,416,931

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
Sept. 10, Thursday...	1,062,000 bars. 151,000 U. S. coin.	Nil.
— 11, Friday ...	11,000 bars. 124,000 U. S. coin.	Nil.
— 12, Saturday ...	10,000 bars. 65,000 U. S. coin.	Nil.
— 14, Monday ...	68,000 bars. 125,000 U. S. coin.	Nil.
— 15, Tuesday ...	34,000 bars. 74,000 U. S. coin.	500,000*
Total for week ...	1,722,000	500,000
Net aggregate ...	[1,222,000 influx for week.]	
Sept. 17, Thursday ...	918,000 bars. 620,000 U. S. coin.	Nil.
— 18, Friday ...	123,000 bars. 222,000 U. S. coin.	Nil.

* Treasury Note Redemption Account.

Gold.—From Messrs. PILEY & ABELL'S Circular, Sept. 17, 1914.

£100,000 in bar gold has arrived this week, and will go to the Bank of England. Since the 10th inst., the Bank has received £1,039,000 in bar gold and £1,038,000 in United States gold coin, while there have been no withdrawals, but £500,000 has been set aside on account of the Treasury Note Redemption Fund. Imports: India, £67,000; Brazil, £30,000; Port Said, £3,000.—Total, £100,000. Exports: Nil.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation	£28.1	£29.0	£28.5	£28.7	£34.6
Public Deposits	7.8	11.9	15.9	9.6	18.6
Private Deposits	40.7	45.6	46.4	42.6	135.0
Government Securities	14.2	14.1	13.4	12.4	25.7
Other Securities	24.2	29.1	35.6	26.3	113.8
Reserve	28.5	32.6	31.5	31.8	32.5
Ratio to Liabilities	58.4%	56.70%	50.61%	60.75%	21.18%
Bullion (both Departments).....	38.1	43.1	41.6	42.0	48.7
Money:					
Bank of England Rate	3%	4%	4%	4½%	5%
Bank of France Rate	3%	3½%	3%	4%	5%
Rate 3 months' Bills London ...	2½%	3½%	3½%	4%	3½%
Exchanges:					
Paris Cheques.....	25 23	25 16	25 28½	25 25	nom.
Hamburg 8 days	20 40½	20 46	20 45½	20 41	nom.
New York 60 days	4 84½	4 83-20	4 82-35	4 82	nom.
Bombay Telegraphic Transfers	1/3½	1/4½	1/4½	1/4½	1/3½
Prices:					
Consols 2½ % Cash	88½	77	74½	73½	69½
French Rente 3 % Money.....	99 10	93 75	91 30	89 02	75
Silver, London spot	126½	124½	129½	128½	123½
Wheat, Gazette average	30/0	32/0	33/5	31/9	37/10
Ottoman, Mid. Upland	168½n.	168½	168½	176½	1580
Iron, Scotch pig	51/9	52½	75/3	61 4	51/0

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA-HUNGARY	Gold.	Cash.	Total.	Ad- vances.	Note Circulation.	Above- or beneath legal max.	Other Securi- ties.
July 7, '14 ...	£52,119	12,047	£64,166	£8,310	£94,054	— 2,389	£34,570
July 15, '14 ...	51,966	12,066	64,132	7,934	90,517	+ 1,016	32,209
July 23, '14 ...	51,578	12,141	63,719	7,772	88,740	+ 2,479	31,993
July 23, '13 ...	50,579	10,784	61,373	9,305	90,527	— 1,655	32,720
July 23, '12 ...	51,631	12,272	63,903	5,062	87,878	+ 3,024	30,477
BELGIUM.	Gold.	Silver.	Total.	Discounts.	Circulation.	Deposits.	
July 23, 1914...	£10,465	£2,763	£13,228	£26,155	£39,056	£3,452	
July 30, 1914...	10,466	2,241	12,707	33,483	44,766	4,969	
Aug. 6, 1914...	10,977	833	11,610	41,925	51,800	6,283	
Aug. 7, 1913...	9,453	2,770	12,223	27,835	39,460	4,685	
Aug. 8, 1912...	8,076	2,699	10,775	25,865	37,108	4,051	
DENMARK.	Coin and Bullion.	Discounts.	Balance Abroad.	Securities.	Circulation.	Deposits.	
June 30, 1914 ...	£4,565	£5,309	£1,102	£602	£8,879	£264	
July 31, 1914 ...	4,352	6,197	786	588	8,693	47	
Aug. 31, 1914 ...	4,150	8,175	1,395	588	10,788	625	
Aug. 30, 1913 ...	4,154	4,816	1,111	511	8,036	58	
Aug. 31, 1912 ...	3,977	4,739	966	531	7,665	49	
FRANCE.	Gold.	Cash.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
July 16, 1914...	£163,707	£26,407	£190,114	£64,632	£241,787	£11,596	£37,161
July 23, 1914...	164,176	25,584	189,760	61,643	236,476	16,024	37,719
July 30, 1914...	165,654	25,013	190,667	97,768	267,327	15,302	37,930
July 31, 1913...	134,489	25,095	159,584	73,616	227,073	15,523	26,267
Aug. 1, 1912...	131,467	32,071	163,538	51,649	209,587	11,632	25,877
GERMANY.	Gold.	Cash.	Total.	Loans & Dis- counts.	Note Circulation.	Above- or beneath legal max.	Deposits.
Aug. 22, '14...	£76,489	£3,317	£79,806	£238,939	£199,996	—	£130,589
Aug. 31, '14...	77,825	4,114	81,939	242,749	211,744	—	122,067
Sept. 7, '14...	79,007	1,987	80,994	239,429	206,903	—	120,947
Sept. 6, '13...	56,585	13,575	70,160	49,416	93,719	+ 7,226	30,815
Sept. 7, '12...	45,575	16,145	61,720	60,118	84,805	+ 7,465	35,368
HOLLAND.	Gold.	Cash.	Total.	Dis- counts.	Ad- vances.	Circulation.	Deposits.
Aug. 29, 1914 ...	£13,512	£192	£13,704	£15,009	£11,349	£37,019	£2,513
Sept. 5, 1914 ...	13,517	228	13,745	15,539	10,512	37,099	2,462
Sept. 12, 1914 ...	13,398	366	13,764	15,144	10,708	37,066	2,303
Sept. 13, 1913 ...	12,276	656	12,932	5,592	7,281	25,487	252
Sept. 14, 1912 ...	12,194	684	12,878	7,056	6,516	24,561	316
ITALY.	Cash.	Inland Bills.	Foreign Bills.	Ad- vances.	Securities.	Circulation.	Deposits.
July 20, '14 ...	£48,338	£17,879	£3,312	£3,127	£8,175	£66,445	£8,182
July 31, '14 ...	48,456	20,416	3,033	4,601	8,167	69,204	8,887
Aug. 10, '14 ...	47,546	30,457	3,110	7,248	8,180	83,473	9,350
Aug. 10, '13 ...	49,207	17,582	2,827	3,421	5,517	66,931	7,850
Aug. 10, '12 ...	45,978	17,761	2,832	3,801	6,592	66,577	7,181
N. YORK BANKS & TRUSTS.	Loans and Dis- counts.	Specie.	Legal Tender.	Total.	Deposits.	Circulation.	Cash Surplus Reserve.
Aug. 29, '14 ...	£425,534	£63,588	£15,248	£75,636	£380,540	£20,632	Def. 6,772
Sept. 5, '14 ...	427,392	63,218	14,962	78,202	380,478	22,872	Def. 7,428
Sept. 12, '14 ...	432,598	64,168	15,318	79,486	384,058	24,104	Def. 7,014
Sept. 13, '13 ...	390,841	68,204	15,744	81,948	358,541	9,032	821
Sept. 14, '12 ...	402,160	66,697	16,596	83,293	370,574	9,218	338
NORWAY.	Gold.	Balance Abroad.	Foreign Securities.	Loans & Dis- counts.	Circulation.	Deposits.	
Aug. 22, 1914...	£3,118	£1,317	£498	£6,503	£7,876	£1,258	
Aug. 31, 1914...	3,118	1,302	496	6,514	7,728	1,154	
Sept. 7, 1914...	3,059	1,289	496	6,477	7,597	1,141	
Sept. 8, 1913...	2,549	1,760	504	3,910	5,863	457	
Sept. 7, 1912...	2,171	1,444	518	3,427	5,334	384	
RUSSIA.	Gold.	Cash.	Total.	Notes in Reserve.	Loans & Dis- counts.	Circulation.	Total Deposits.
Aug. 21, '14...	£172,323	£6,041	£178,364	£11,407	£120,486	£241,093	£105,840
Aug. 28, '14...	172,433	5,896	178,299	9,360	121,433	243,149	95,792
Sept. 5, '14...	172,713	5,711	178,424	8,261	134,688	251,738	96,019
Sept. 5, '13...	162,600	7,296	170,096	5,158	85,919	154,842	106,572
Sept. 5, '12...	158,043	7,819	163,862	6,784	81,059	138,215	97,765
SPAIN.	Gold.	Cash.	Total.	Loans & Dis- counts.	Spanish 4 %	Circulation.	Deposits.
Aug. 29, '14...	£21,818	£27,438	£49,254	£47,032	£13,778	£79,887	£21,625
Sept. 5, '14...	21,823	27,184	49,007	48,360	13,778	80,745	22,092
Sept. 12, '14...	21,867	27,160	49,047	48,640	13,778	80,540	22,545
Sept. 13, '13...	18,598	29,685	48,283	40,040	13,778	75,850	16,365
Sept. 14, '12...	17,123	29,940	47,063	39,766	13,778	73,393	18,467
SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt Secs.	Discounts & Loans.	Circulation.	Deposits.	
Aug. 15, '14 ...	£5,727	£2,857	£158	£10,234	£15,372	£4,146	
Aug. 22, '14 ...	5,729	2,780	158	9,916	15,126	4,255	
Aug. 29, '14 ...	5,734	2,926	144	9,336	15,032	3,904	
Aug. 30, '13 ...	5,703	3,875	1,264	7,472	11,914	2,666	
Aug. 31, '12 ...	5,414	5,236	1,315	6,323	11,547	2,708	
SWITZERLAND.	Gold.	Cash.	Total.	Discounts & Advances.	Circulation.	Deposits.	
Aug. 22, 1914...	£8,491	£278	£8,769	£12,663	£17,815	£3,482	
Aug. 29, 1914...	8,601	298	8,899	12,862	18,097	2,767	
Sept. 7, 1914...	8,674	324	8,998	12,487	17,849	3,328	
Sept. 6, 1913...	6,748	1,230	7,978	4,678	10,893	1,811	
Sept. 7, 1912...	7,056	558	7,614	5,112	10,878	1,729	

ARGENTINA—Gold in Oja da Con- version (at 42. per peso).		
1914—June 25	42,890,991	
July 8	42,600,000	
July 18	42,075,375	
July 25	39,898,202	
Aug. 5	39,884,523	
Aug. 10	38,800,000	

BRAZIL—Gold in Oja da Con- version (at 164. per milreis).		
1914—July 11	11,839,831	
July 18	11,135,592	
July 25	10,845,617	
Aug. 1	10,458,256	
Aug. 3	10,374,281	
1913—Dec. 31	20,721,521	
Feb. 12 (maximum)	26,772,300	

II.—FOREIGN RATES OF DISCOUNT.

Comparison of Bank Rates.

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
Sept. 17, 1914	5 1/2	8 1/2	5 1/2	7 1/2	8 1/2
Sept. 18, 1913	4 1/2	8 1/2	5 1/2	5 1/2	6 1/2

a Aug. 20, '14.	b Aug. 1, '14.	c Aug. 20, '14.	d Aug. 3, '14.	e Aug. 1, '14.
f Oct. 31, '13.	g Nov. 14, '13.	h June 25, '13.	i Oct. 18, '13.	j Nov. 15, '13.

Comparison of Market Rates.

Date.	Paris.	Berlin.	Prime Paper.	New York. Call Money.	Amster- dam.	Brussels.	Vienna.
July 18, '14	2 1/2	2 1/2	3 1/4	4 1/4	3 1/4	3 1/4	3 1/4
July 23, '14	2 1/2	2 1/2	4 1/4	5 1/4	3 1/4	3 1/4	3 1/4
July 30, '14	3 1/4	4	5 1/4	5	Closed	Closed	Closed
Sept. 11, '13	3 1/4	5 1/2	5 1/2	6	4 1/2	4 1/2	5 1/2

NOTE.—New York, Sept. 17, 1914, Prime Paper, 7%.

III.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—	July 30, '14	July 23, '14	July 16, '14	Sept. 18, '13
Amsterdam	—	12d. 3/4.	12d. 2 1/4.	12d. 2 1/4.
Antwerp	3 months	25f. 55c.	25f. 52 1/2c.	25f. 73 1/2c.
Berlin	do.	20m. 67pf.	20m. 65 1/2pf.	20m. 74pf.
Genoa	do.	25fr. 65c.	25fr. 63 1/2c.	25fr. 91 1/2c.
Hamburg	do.	20m. 67pf.	20m. 65 1/2pf.	20m. 74pf.
Lisbon	do.	—	45l.	44 1/2l.
Madrid	do.	—	45 1/2p.	43 1/2p.
Paris	Cheques	24f. 92 1/2c.	25f. 1 1/2c.	25f. 25c.
—	3 months	—	25f. 38 1/2c.	25f. 52 1/2c.
Petrograd	do.	—	24 1/2l.	24 1/2l.
Vienna	do.	—	24k. 50c.	24k. 45c.

Foreign Rates of Exchange on London, &c.

	Sept. 17, '14	Sept. 10, '14	Sept. 3, '14	Sept. 18, '13
Alexandria	Right	96 1/2pl.	96 1/2pl.	97pl.
Amsterdam	Right	12d. 15c.	12d. 25c.	12d. 10 1/2c.
Berlin	Right	—	20m. 42 1/2pf.	20m. 42 1/2pf.
Antwerp	Cheques	25f. 50c.	25f. 50c.	25f. 40c.
Buenos Ayres	90 days	49l.	49l.	48d.
Calcutta	Telegraph	1s. 3 1/2d.	1s. 3 1/2d.	1s. 4 1/2d.
Constantinople	Bank 3m.	—	—	110 1/2
Hamburg	8 days	—	20m. 34 1/2pf.	20m. 34 1/2pf.
Hong Kong	Transfers	1s. 8 1/2d.	1s. 9 1/2d.	2s. 0 1/2d.
Italy	Right	26fr. 85c.	26fr. 75c.	25fr. 54 1/2c.
Japan	Transfers	2s. 0 1/2d.	2s. 0 1/2d.	2s. 0 1/2d.
Madrid	Right	24p. 90	24p. 50	26p. 90
—	Gold prm.	—	—	6 1/2c.
Mexico	Right	—	—	16 1/2d.
Montevideo	90 days	52 1/2d.	52 1/2d.	51 1/2d.
New York	Right	nom.	nom.	84 1/2c.
—	60 days	nom.	nom.	84 1/2c.
—	Cables	\$4 95-\$5 00c.	\$5 00c.	\$4 85c.
Paris	Cheques	25f. 33c.	—	25f. 25c.
Rio de Janeiro	80 days	—	—	16 1/2d.
Petrograd	3 months	111r. 50	107r. 50	94r. 00
Shanghai	Transfers	2s. 3 1/2d.	2s. 4 1/2d.	2s. 9 1/2d.
Straits	Transfers	8 1/2d.	8 1/2d.	2s. 4 1/2d.
Valparaiso	90 days	—	—	95l.
Vienna	Short	—	—	24k. 11 1/2c.
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
U. S. Gold coin, per oz.	78s. 4d.	78s. 4d.	78s. 4d.	78s. 4d.
Bar Silver (.925) per oz.	27 1/2d.	27 1/2d.	27 1/2d.	28 1/2d.
Mexican Dollars	per 100.	27d. nom.	27d. nom.	27d. nom.

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inco. or Dec.	1914 Aggr.	Inco. or Dec.
BIRMINGHAM	Sept. 12	1,035,521	—	38,347	58,523,239
BRIGHTON	" 12	863,000	—	69,000	25,837,000
DUBLIN	" 12	3,070,200	228,200	121,720,500	3,203,900
LONDON	" 12	3,780,330	22,138	18,485,573	581,906
LIVERPOOL	" 12	251,075	16,440	11,229,597	419,597
LIVERPOOL	" 12	2,963,696	1,569,471	168,602,593	101,206
MANCHESTER	" 12	4,761,926	1,979,130	242,143,523	17,597,920
NEWCASTLE	" 12	832,900	149,900	42,332,350	1,441,790
NOTTINGHAM	" 12	310,799	42,578	13,590,987	805,470
SHEFFIELD	" 12	354,509	8,229	18,761,214	888,312
TOTAL	" 12	14,089,656	3,981,731	719,828,558	19,470,660
WEEKLY AVER.	1914	19,895,312	—	528,234	—
WEEKLY AVER.	1913	19,365,571	—	1,024,088	—
WEEKLY AVER.	1912	18,978,380	—	946,327	—
WEEKLY AVER.	1911	18,042,970	—	648,718	—

LONDON—	1914.	1913.	1912.	1911.
TOWN	Sept. 16	145,873	103,794	8,712,937
METROPOLITAN	" 16	12,337	1,238	621,052
COUNTRY	" 16	22,008	2,035	978,596
TOTAL	" 16	180,216	107,067	11,312,685

The following special items are included in the London clearings:—

STOCK EXCHANGE SETTLING DAYS.	CONSOLS SETTLING DATE.	"FOURTH" OF TEN MONTH.
1914.	1914	1914
June 28	May 8	July 4
July 10	June 2	Aug. 7
July 29	July 1	Sept. 4
1914 Aggr.	1913 Aggr.	1912 Aggr.
1,323,314	515,586	502,323

* Compared with a year ago.

V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—

HOMEWARDS.	1914.	1913.	1912.	1911.
Alexandria to Lond. or Hull	8/0	11/0	—	—
Australia to U.K.	30/0	32/0	—	—
Assot. to L.H.A.R.	—	13/3	—	—
Bombay to pp.	d.w.	17/6	d.w.	23/0
Bombay to A.R.	30/0	26/0	—	—
Calcutta to pp.	30/0	26/0	—	—
Danube to A.R.	—	12/6	—	—
Odessa to L.H.A.R.	—	11/9	—	—
R. Plate to U.K.	16/0	14/6	—	—

HOMEWARDS—continued.	1914.	1913.	1912.	1911.
U.S. Atl. Ports to L.H.B.	—	—	—	—
(cotton)	—	—	—	—
U.S. to U.K. (gr.)	—	—	—	—
N.O. to U.K. (gr.)	—	—	—	—
OUTWARDS.—	—	—	—	—
Bomb. Col. Port River St. Vin.	—	—	—	—
Year, bay, omba, Said, Plate, cent.	—	—	—	—
1914	10/0	9/8	8/0	8/0
1913	11/0	12/0	9/3	21/0

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

SEPT. 19.	1914.*	1913.	1912.
METALS.			
Iron—Scottish pig warrant	51/0	60/4 1/2	73/3
—Middlesbrough warrants	51/0	64 1/4	67 1/2
—Hematite warrants	86/0	87/3	81/9
—Birmingham bars, London	69	29 1/2	29 1/2
—Common bars	28 1/2	27 1/2	28 7/8
—Stock, Scotch, Sept. 17	1,000	1,005	1,000
—Middlesbrough	96,031	178,143	278,878
—W. O. hematite	Nil	18,315	33,326
Steel Rails	28 1/2	28 1/2	28 1/2
Copper—Best Selected	257 1/2—257 1/2	—	—
—Stock, Europe and abroad	34,801	34,045	50,332
Tin—English ingots	2137	2196—2197	2228 10—2229
—Straits	2135	2182 1/2	2228 10—2229
—Tinplates—Chargal L.O.	20/9—28/9	20/3—28/3	—
—Lead—Soft Foreign	218 1/2—220	—	222—222 1/2
—Spelter—Ord. Foreign	nom.	221	227—227 1/2
—Silesian Ordinary	—	221 1/2	226 7/8—227 1/2
Quicksilver—(76 lb.)	68 12/8	27 1/2	28—28 1/2
Aluminum	231—232	238—238	278—280
Antimony—Regulus	238—240	228 10—230 10	228 10—230
Coal—Best London	20/0	21/8	21/8
—Steam (best) Newcastle	13/8	15/0	13/8
CHEMICALS, OILS, &c.			
Nitrate of Soda—Chemical owt.	11/3	11/3	11/7 1/2
Soda—Crystalline ex ship	22 2/8—22 5	22 2/8—22 5	22 2/8—22 5
Dyes—Coch. Tenuifera Silver	2 0—2/3	1/10—2/10	1/9—2/3
Indigo—Bengal good to fine	7/0—7/8	3/0—3/8	3/2—3/8
—Stock, Aug. 31	819	1,597	1,745
Linseed Oil—spot	228 1/2	223 10	231 9
—Lined—Sept. Oct.	410 1/2	47/8	48/0
Oilive Oil—Spanish	nom.	248—249	250—252
Palm Oil—Lagos	230 10	238 10	233 10
Petroleum—American	—	81	78—80
Rape Oil—Refined English	238	232	233
Tallow—Brit. Town	29 9	35/0	34 3
Turpentine—Amer. Spirit	31/8	30 8	31/0
Rubber—Para, spot	nom.	49/0	50 8
—Fine plantation	2/4	3/7 1/2	4/8
—World's Stock, July	11,021	9,559	7,318
TEXTILES.			
Cotton—Mid. Upland	15/80	17/68	16/82 1/2
—Egyptian good fair	17/75	19/90	18/4
—Perambuco, fair	16/33	17/70	17/08 1/2
—Mid. Upl. N. York	10 1/2	13/40c.	11 85c.
—Stock, Liverpool, Sept. 11	857,800	495,540	533,830
Flax—Petrograd Yarpol	—	234 10	—
Hemp—New Zealand	225 10	230 5	228
—Manila, fair	228 10	230 5	228 5
Jute—First Marks	235	233 10	—
—Red 800	232	230 15	—
Silk—Blue Elephant	11/3—11/8	10/9—11/0	10/3—10/8
Wool—Prt. Phillis newshd.	11/1—1/0	11/1—1/0	1/0—1/1
FOODSTUFFS, &c.			
Wheat—Vla. amp. U. S. Sept. 8 bar.	30,104,000	45,329,000	23,182,000
—Red, price, N. Y. 60lb.	119 1/2	98c.	103 1/2c.
—Gazette, aver. price	37/10	31/9	33/5
Flour—London, Whites ex Mill 280lb.	38/8	27/0	30/8
Barley—Gaz. aver. price 400lb.	9/11	31/5	29/0
Hops—English	28 5—27	29—29 9	210 15—212
Oats—Gaz. aver. price 312lb.	23/11	18/0	20/5
Hay—Best	2,016lb. load	95/0—105/0	110/0—130/0
Malze—N. Y. (New bushel) 56lb.	85 1/2	82 1/2	59 1/2
Rice—Imports since Jan. 1	21,495	8,471	15,70
—Deliveries do.	18,959	11,831	8,755
—Stock	8,221	5,105	8,497
—Price, Basell.	—	8/0—8/4	9/8—10/6
Bacon Irish	84/0—90/0	78/0—82/0	70/0—80/0
Butter, Danish	124/0—128/0	125/0—127/0	128/0—129/0
Cocoa, Trin. mid. to fine	58/0—60/0	72/0—74/0	71/0—74/0
—Grenada, good to fine	52/0—54/0	87/0—83/6	83/3—85/6
Coffee—Imports since Jan. 1	40,825	31,312	25,497
—Home consumption do.	11,242	10,915	11,997
—Exports do.	18,829	14,558	11,332
—Stock	21,032	14,223	13,026
—Price Costa Rica, good to fine	80/0—93/0	80/0—88/0	85/0—102/6
—Brazil (Santos)	42 1/4	42 1/4	42 1/4
Sugar—Imports since Jan. 1	500,311	680,714	587,575
—Deliveries do.	584,675	605,413	589,139
—Stock	47,547	111,173	89,227
—Price Java, 95% Old Coast	—	10 7/8 nom.	11/9—12/3
—Tates No. 1 Cubes	37/0	18/11	—
—French Indes, Sav's	—	14/8	18/0 1/4
Tea—Imports	196,247,058	183,493,545	194,920,763
—Home consumption do.	215,643,881	200,594,329	191,549,711
—Exports do.	33,537,451	38,605,994	30,093,588
—Stock, Aug. 31	83,426,000	82,223,000	95,348,000
—Price, Indian, Pek. Song, good lb.	—	78 1/2	78 1/2
—Ceylon, Pek. Song, Ord. lb.	—	78 1/2	78 1/2

* It is not possible in all cases to obtain current prices. Quotations given are the latest available.

VII.—TRAMWAY AND OMNIBUS TRAFFIC RECEIPTS.

Name of Co.	W. & S.	Miles.	+ or -	Repts.	+ or -	W. & S.	Aggr. gte.	+ or -
Anglo-Ara. ...	Sept. 18	329	...	£ 51,235	+	1,067	37	2,020,278
Anokland 4wk	Aug. 28	25 1/2	+ 1 1/2	£ 21,048	+	1,503	8	44,357
Brazil Tract. M. of May	£ 408,434	+	657	51	2,009,080
Brianabe Elec. M. of Ang.	...	30	...	£ 33,172	+	3,202	81	231,827
Bristol ...	Sept. 11	31	+ 1 1/2	£ 8,827	+	117	37	316,349
Brit. Colum. ...	M. of July	185	...	£ 690,023	—	65,920	11	—
Brit. E. Fed. ...	Sept. 4	...	...	£ 58,475	—	705	36	2,018,410
B. A. Lacrose M. of June	...	51 1/2	...	£ 44,139	+	61	12 1/2	534,585
Oaleutta ...	Sept. 12	35 1/2	...	R 66,296	—	4,210	37	24,83,636
Oape Electric M. of July	...	38	...	£ 12,543	+	2,150	11	—
Orath. & Herr. M. of Ang.	...	12	...	£ 2,768	+	568	8	18,970
Cork Electric. Sept. 10	...	9 1/2	...	£ 1,106	+	12	37	39,517
Dublin Union Sept. 11	...	54 1/2	...	£ 8,047	+	2,916	37	215,131
Garleam's Bns. Sept. 12	£ 639	—	92	37	17,518
Havane Elec. Aug. 23	...	51	...	£ 49,052	—	3,494	34	1,819,211
Iale of Thanet Sept. 12	...	80	+ 4	£ 1,115	—	399	50	31,772
Kalgoorlie ... M. of June	...	20 1/2	...	£ 2,892	—	162	61	15,522
Landarkshire ... Sept. 10	...	22 1/2	+ 3 1/2	£ 1,900	+	85	37	63,758
London C.O. ... Sept. 9	...	142 1/2	+ 3 1/2	£ 43,541	+	1,675	23	1,021,833
" Gen. Om. Aug. 1	£ 71,825	+	3,050	31	1,982,031
" United. Sept. 11	...	55 1/2	+ 6 1/2	£ 8,249	—	510	37	231,240
Madras Elec. Sept. 15	R 37,257	—	1,840	36	4,93,895
Manila Elec. M. of July	£ 133,970	—	2,850	71	967,590
Metropolitan. Sept. 11	...	55 1/2	+ 3 1/2	£ 9,168	—	372	37	36,876
M. E. T. 'Bus Sept. 12	£ 8,034	—	1,096	37	330,975
Mexico Elec. M. of July	...	100	...	£ 628,208	+	17,804	71	1,158,751
Nat. Steam Cr M. of Aug.	...	183 1/2	+ 63 1/2	£ 21,139	+	5,640	101	188,484
Potteries Elec. Sept. 4	...	29	...	£ 1,829	—	343	36	75,572
Provincial. Sept. 12	...	11	...	£ 2,291	—	134	50	97,335
Rangoon Elec. M. of Aug.	...	25	...	£ 4,629	—	10	71	41,938
South Met. ... Sept. 11	£ 1,163	—	43	37	40,974
U. of M'vidoe M. of Aug.	...	78	...	£ 36,075	—	2,754	91	309,738
Yorks. W. R. Sept. 13	...	27	...	£ 1,394	—	74	37	54,902

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS 17 HOME RAILS, 31 WEEKS TO AUG. 2

[In £ sterling 000's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Caledonian	1,149	—	£1,226	+ 33	£1,766	+ 58	£3,024	+ 25
Glasgow & S.W.	471	—	555	+ 33	819	+ 23	1,374	+ 13
Great Central	863	+ 13	770	+ 29	2,112	+ 110	3,882	+ 81
Great Eastern	1,207	—	1,852	+ 1	1,530	+ 3	3,382	+ 2
Great Northern	1,032	—	1,605	+ 7	2,302	+ 17	3,907	+ 10
Gt. S. & W. (Ireland) ..	1,130	—	442	+ 4	480	+ 23	902	+ 27
Great Western	2,984	+ 18	4,255	+ 60	4,701	+ 12	8,956	+ 102
Lanc. & Yorkshire	600	+ 3	1,876	+ 4	2,024	+ 119	3,700	+ 115
London & N.W.	2,034	+ 1	4,217	+ 50	5,150	+ 151	9,367	+ 101
London & S.W.	984	—	2,061	+ 5	995	+ 7	3,056	+ 12
Lon., Brighton & S.O.	487	—	1,516	+ 4	503	+ 1	2,019	+ 5
Midland	1,584	—	2,878	+ 40	5,289	+ 124	8,167	+ 64
North British	1,375	—	1,176	+ 20	1,843	+ 43	3,019	+ 23
North-Eastern	1,763	+ 2	2,270	+ 66	4,219	+ 149	6,489	+ 83
North London	18	—	98	+ 10	144	+ 6	242	+ 16
S.E. & Chatham Rys.	654	—	2,299	+ 1	695	+ 6	2,994	+ 7
Total for 31 weeks '14	18,126	+ 25	28,936	+ 336	34,344	+ 814	63,280	+ 478
Total for 31 weeks '13	17,916	+ 44	28,209	+ 1,702	34,861	+ 3,724	63,070	+ 5,426
31st wk. to Aug. 2, '14	18,126	+ 25	1,658	+ 19	1,121	+ 30	2,779	+ 49
31st wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 18	1,140	+ 3	2,795	+ 85

HOME.	Week to	Miles	+ or -	Gross	+ or -	Wks	Total.	+ or -
Barry	—	68	—	—	—	31	£510,174	+ 5,753
Broc. & Mer.	—	61	—	—	—	31	80,923	+ 142
Caledonian	—	1,149	—	—	—	31	3,024,000	+ 25,000
Cambrlan	—	300	—	—	—	31	183,872	+ 2,300
Central Lond.	—	7	—	—	—	31	153,116	+ 2,378
City & S. Lond.	—	71	—	—	—	31	82,703	+ 5,243
Furness	—	139	—	—	—	31	323,501	+ 16,834
Glasg. & S.W.	—	471	—	—	—	31	1,174,200	+ 12,600
Gt. Central	—	811	+ 1	—	—	31	3,449,600	+ 63,500
Gt. Eastern	—	1,207	—	—	—	31	3,382,200	+ 2,700
Gt. N. of Scot.	—	336	—	—	—	31	318,640	+ 7,230
Gt. Northern	—	1,032	—	—	—	31	3,907,300	+ 10,000
Gt. N. (Ire.)	Sept. 11	661	—	22,465	+ 1,770	37	823,940	+ 1,595
Gt. S. & W. (Ire.) ..	Sept. 11	1,130	—	34,024	+ 447	37	1,114,944	+ 32,488
Gt. Western	—	2,984	+ 18	—	—	37	9,958,000	+ 102,000
Highland	—	492	—	—	—	31	348,876	+ 12,237
Hull & Barnsley	—	80	—	—	—	31	433,841	+ 46,319
Lanc. & York.	—	600	+ 3	—	—	31	3,700,350	+ 114,600
London & N.W.	—	2,034	+ 1	—	—	31	9,367,000	+ 101,000
London & S.W.	—	984	—	—	—	31	2,056,400	+ 11,700
Lon. Brighton & S.O.	—	487	—	—	—	31	2,019,433	+ 5,788
Lon. Electric	—	211	—	—	—	31	432,635	+ 1,800
Mary. & Car.	—	421	—	—	—	31	60,402	+ 11,331
Mersey	—	4	—	—	—	31	69,071	+ 289
Metropolitan	—	821	—	—	—	31	568,081	+ 42,280
Met. District	—	25	—	—	—	31	406,451	+ 353
Midland	—	1,584	—	—	—	31	8,187,000	+ 84,000
Mid. Gt. W. (Ire.) ..	Sept. 11	638	—	12,639	+ 60	37	453,818	+ 10,433
N. British	—	1,375	—	—	—	31	3,019,600	+ 22,500
N. Eastern	—	1,753	+ 2	—	—	31	6,489,000	+ 83,000
N. London	—	16	—	—	—	31	242,395	+ 16,438
N. Staffordshire	—	207	—	—	—	31	820,160	+ 17,970
Port Talbot	—	361	—	—	—	31	97,277	+ 3,692
Rhond. & Swan.	—	31	—	—	—	31	77,775	+ 2,351
Rhymney	—	501	—	—	—	31	228,812	+ 8,715
S.E. & Chatham	—	654	—	—	—	31	2,994,348	+ 6,997
Taff Vale	—	124	—	—	—	31	644,093	+ 9,580

INDIAN.							Rupees.	Rupees.
Assam Bengal	Aug. 8	851	+ 46	1,15,000	+ 19,220	19	23,14,385	+ 2,68,200
Bengal & N.W.	Aug. 8	2,028	—	3,85,350	+ 44,012	19	81,05,840	+ 4,94,914
Beng. Nagpur	Aug. 15	2,678	+ 107	5,76,000	+ 1,000	20	1,48,85,000	+ 24,000
Bomb. Baroda	Sept. 12	2,827	+ 53	8,91,000	+ 2,000	24	2,71,42,000	+ 8,13,000
Burma	Aug. 8	1,342	—	3,88,950	+ 88,933	19	82,69,609	+ 9,41,773
East Indian	Sept. 12	2,720	+ 11	19,95,000	+ 1,06,000	24	4,82,65,000	+ 18,22,000
Gt. Indian Pen.	Sept. 12	2,865	—	10,88,700	+ 3,42,100	24	3,55,70,052	+ 15,89,807
Madras & S.M.	Aug. 15	3,132	—	6,66,000	+ 51,252	20	1,72,97,415	+ 6,12,763
Nizam's Guar.	Aug. 15	797	—	1,33,515	+ 35,570	19	42,67,352	+ 2,92,300
South Indian	Aug. 15	1,752	+ 3	4,91,275	+ 3,000	20	1,14,06,874	+ 5,02,688
South. Punjab	M. of Apr.	790	—	4,27,723	+ 1,53,543	1	—	—

COLONIAL.							Rupees.	Rupees.
Can. Northern	Sept. 14	4,870	+ 150	4,58,700	+ 80,700	10	3,74,070	+ 793,300
Can. Pacific	Sept. 14	12,227	+ 586	2,496,000	+ 34,000	10	24,620,000	+ 3,766,000
Gd. Trk. Pacific	Sept. 7	1,104	—	£33,304	+ 11,863	9	218,202	+ 4,798
Grand Trunk	Sept. 14	4,008	—	185,728	+ 10,830	10	1,980,089	+ 152,562
Grd. Trunk W.	Sept. 14	338	—	28,911	+ 685	10	322,254	+ 8,091
Det. Grd. Ha.	Sept. 14	189	—	10,792	+ 324	10	114,684	+ 7,225
Mashonaland	M. of July	751	—	67,668	+ 8,207	10	613,788	+ 67,963
New Cape Cent.	Aug. 15	205	—	1,529	+ 219	33	52,479	+ 5,214
Rhodesia Rys.	M. of July	1,397	—	91,777	+ 587	10	814,481	+ 84,298

FOREIGN.							Rupees.	Rupees.
Antofagasta	Sept. 13	819	+ 25	£ 18,850	+ 19,840	37	1,236,364	+ 90,451
Arg. N. East	Sept. 11	667	+ 2	£ 4,450	+ 2,215	11	52,470	+ 24,329
Arg. Transand	Aug. 15	111	—	£ 270	+ 1,180	7	2,150	+ 5,490
Brazil	M. of June	3,362	+ 99	£ 202,467	+ 13,684	6	1,302,333	+ 59,151
Paulista	M. of June	715	—	£ 116,667	+ 30,794	6	732,000	+ 92,934
Mogiana	M. of June	1,084	+ 24	£ 127,200	+ 63	6	644,333	+ 14,102
Mid-Mamore	M. of June	226	—	£ 12,733	+ 20,022	6	121,666	+ 86,851
B.A. & Pacific	Sept. 12	3,518	+ 101	£ 64,000	+ 23,000	11	693,000	+ 248,000
B.A. Central	M. of May	190	+ 25	£ 17,800	+ 7,500	11	267,989	+ 22,374
B.A. Gt. So.	Sept. 13	3,729	+ 147	£ 63,000	+ 24,000	11	739,941	+ 232,964
B.A. Western	Sept. 13	1,792	+ 11	£ 37,000	+ 4,000	11	380,000	+ 86,000
Cent. Argentine	Sept. 12	3,282	+ 195	£ 101,200	+ 23,900	11	1,017,700	+ 383,100
Cent. Uruguay	Sept. 12	271	—	£ 7,656	+ 3,865	11	91,583	+ 38,779
„ (E. Ext.)	Sept. 12	311	—	£ 2,187	+ 1,607	11	26,431	+ 8,842
„ (N. Ext.)	Sept. 12	185	—	£ 1,006	+ 982	11	15,083	+ 12,855
„ (W. Ext.)	Sept. 12	211	—	£ 1,120	+ 514	11	12,077	+ 4,748
Cord. Central	Sept. 12	1,186	—	£ 42,660	+ 7,185	11	402,740	+ 103,340
Cuban Central	Sept. 12	345	+ 8	£ 7,038	+ 490	11	71,118	+ 965
Egyptian Delta	Aug. 20	624	+ 1	£ 4,328	+ 1,511	20	80,088	+ 2,264
Entre Rios	Sept. 12	730	—	£ 7,100	+ 3,500	11	80,300	+ 32,100
Gt. W. of Brazil	Sept. 12	1,010	+ 6	£ 5,800	+ 5,700	37	450,100	+ 33,100
La Guairas & O.	M. of Aug.	23	—	£ 8,750	+ 1,750	8	77,250	+ 3,250
Leopoldina	Sept. 12	1,752	+ 51	£ 18,800	+ 23,714	37	1,108,601	+ 109,203
Manila North	Sept. 12	325	+ 21	£ 3,423	+ 1,040	37	232,878	+ 15,359
„ South	Sept. 12	229	+ 54	£ 1,657	+ 1,460	37	122,513	+ 38
Mid Uruguay	M. of Aug.	319	—	£ 7,470	+ 2,884	2	17,066	+ 2,894
Nitrato (Gwks.)	Sept. 15	366	—	£ 11,882	+ 18,317	36	460,428	+ 22,302
N.W. Uruguay	M. of Aug.	113	—	£ 18,000	+ 7,588	2	36,500,000	+ 13,199
Ottoman	Sept. 12	379	—	£ 8,763	+ 2,230	11	93,240	+ 9,677
Paraguay Cent.	Sept. 12	255	+ 23	£ 2,100	+ 670	11	24,330	+ 5,530
Peruvian Corp.	M. of June	1,059	—	£ 100,348	+ 18,999	12	12,530,954	+ 880,296
Puerto Cabello	M. of July	24	—	£ 3,250	+ 500	7	27,750	+ 5,434
„ vador	Sept. 12	100	—	£ 15,750	+ 4,500	11	207,416	+ 5,434
San Paulo	Sept. 6	154	—	£ 16,683	+ 40,145	10	285,971	+ 225,419
Taitai	M. of Aug.	184	—	£ 18,865	+ 8,355	2	41,513	+ 8,595
U. of Havana	Sept. 12	681	+ 3	£ 19,824	+ 58	11	203,114	+ 11,095
Urg. E. Coast	July 25	73	—	£ 458	+ 64	4	1,685	+ 531
Urg. Northern	M. of Aug.	73	—	£ 1,298	+ 793	2	2,787	+ 1,528
W. of Havana	Sept. 12	147	—	£ 4,722	+ 874	11	59,883	+ 3,979
Zafra & Elva.	M. of July	112	—	£ 13,818	+ 3,364	7	99,844	+ 2,064

GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Name.	Period.	Gross.	+ or -	Net.	+ or -	
Alabama Gt. Southern b	July	\$414,000	+	\$22,000	\$101,000	+ \$5,000
12 mos.	to June	3,355,000	+	153,000	1,158,000	+ 258,000
Atchison, Top. & S. Fe. a	July	9,609,000	+	466,000	2,871,000	+ 441,000
12 mos.	to June	111,116,000	+	6,785,000	32,116,000	+ 2,460,000
Atlantic Coast Line a	July	2,538,000	+	81,000	318,000	+ 19,000
12 mos.	to June	36,833,000	+	710,000	9,054,000	+ 980,000
Baltimore & Ohio a	July	8,147,000	+	874,000	2,272,000	+ 366,000
12 mos.	to June	97,417,000	+	4,145,000	25,357,000	+ 2,419,000
Canadian Northern a	July	1,594,300	+	334,500	430,500	+ 83,900
12 mos.	to June	22,700,000	+	273,500	6,351,700	+ 302,700
Canadian Pacific b	July	10,482,000	+	1,511,000	3,773,000	+ 338,000
12 mos.	to June	129,830,000	+	9,881,000	42,428,000	+ 3,819,000
Chesapeake & Ohio a	July	3,284,000	+	340,000	935,000	+ 59,000
12 mos.	to June	30,650,000	+	1,605,000	11,036,000	+ 402,000
Chicago & N. Western a	July	7,363,000	+	235,000	1,916,000	+ 68,000
12 mos.	to June	83,677,000	+	642,000	20,027,000	+ 1,700,000
Chic. Buri. & Quincy a	July	—	—	39,000	—	+ 132,000
11 mos.	to May	85,239,000	+	1,649,000	24,940,000	+ 1,642,000
Chicago Great Western b	July	—	—	121,000	—	+ 119,000
12 mos.	to June	14,260,000	+	260,000	3,336,000	+ 352,000
Chic. Mil. & St. Paul a	July	7,825,000	+	96,000	2,384,000	+ 154,000
12 mos.	to June	93,636,000	+	2,275,000	26,066,000	+ 944,000
Ch.St.P. Min. & Omaha a	July	1,681,000	+	111,000	451,000	+ 152,000
12 mos.	to June	17,992,000	+	1,000,000	4,396,000	+ 128,000
Clev. Cin. Chic. & St. L. a	July	3,147,000	+	156,000	730,000	+ 627,000
7 mos.	to July	19,731,000	+	1,364,000	1,173,000	+ 97,000
Colorado & Southern b	July	1,124,000	—	80,000	237,000	+ 79,000
12 mos.	to June	13,223,000	+	1,855,000	3,476,000	+ 918,000
Cuba Railroad a	July	383,000	+	58,000	182,000	+ 28,000
12 mos.	to June	6,165,000	+	633,000	2,471,000	+ 256,000
Delaware & Hudson a	June	1,965,000	+	11,000	967,000	+ 34,000
6 mos.	to June	10,683,000	+	1,009,000	2,810,000	+ 1,144,000
Denver & Rio Grande a	July	2,004,000	—	98,000	437,000	+ 64,000
12 mos.	to June	23,167,000	+	1,286,000	6,138,000	+ 322,000
Erie Railroad a	July	5,420,000	+	119,000	1,258,000	+ 187,000
11 mos.	to May	65,671,000	+	1,619,000	11,228,000	+ 3,447,000
Grand Trunk Railway a	July	485,300	—	\$60,850	\$213,200	+ \$11,150
7 mos.	to July	6,265,650	—	477,150	1,224,050	+ 116,500
Grand Trunk Western a	July	125,400	—	4,500	3,750	+ 12,650
7 mos.	to July	834,450	—	62,650	Def. 8,950	+ 73,300
Great Northern a	July	\$6,840,000	—	\$854,000	\$3,280,000	+ \$253,000
12 mos.	to June	75,441,000	—	3,214,000	24,290,000	+ 4,380,000
Hocking Valley a	June	477,000	—	246,000	142,000	+ 125,000
12 mos.	to June	7,021,000	—	796,000	1,766,000	+ 590,000
Illinois Central a	July	5,396,000	+	38,000	706,000	+ 62,000
12 mos.	to June	66,373,000	+	1,587,000	11,739,000	+ 489,000
Interoceanic of Mexico b	June	349,000	—	504,000	5,000	+ 315,000
12 mos.	to June	9,146,000	+	24,000	2,734,000	+ 521,000
Kansas City Southern a	July	845,000	+	133,000	331,000	+ 90,000
12 mos.	to June	10,993,000	+	287,000	3,616,000	+ 21,000
Lake Shore & Mich. So. a	July	4,592,000	—	530,000	1,184,000	+ 288,000
7 mos.	to July	29,673,000	—	6,191,000	5,827,000	+ 3,628,000
Lehigh Valley a	July	3,582,000	—	114,000	918,000	+ 91,000
12 mos.	to June	39,783,000	—	3,359,000	10,345,000	+ 1,864,000
Louisville & Nashville a	July	4,804,000	—	141,000	1,071,000	+ 127,000
12 mos.	to June	59,683,000	+	217,000	12,345,000	+ 656,000
Mexican Railway a	July	765,200	—	118,800	284,800	+ 178,700
6 mos.	to June	4,554,000	—	270,300	1,960,500	+ 692,100
Michigan Central a	July	2,838,000	—	186,000	671,000	+ 124,000
7 mos.	to July	19,101,000	—	1,932,000	3,327,000	+ 1,287,000
Min.St.P.(Soo)System a	July	2,486,000	—	208,000	729,000	+ 28,000
12 mos.	to June	29,306,000	—	2,999,000	8,172,000	+ 3,063,000
Miss. Kansas & Texas b	July	2,694,000	+	38,000	630,000	+ 14,000
12 mos.	to June	31,622,000	+	825,000	8,057,000	+ 764,000
Missouri Pacific a	July	—	—	100,000	—	+ 136,000
12 mos.	to June	59,793,000	—	2,362,000	14,055,000	+ 965,000
National of Mexico b	June	1,569,000	—	1,626,000	73,000	+ 197,000
12 mos.	to June	34,069,000	—	23,301,000	2,287,000	+ 1884,000
New York Central a	July	8,073,000	—	959,000	1,818,000	+ 243,000
7 mos.	to July	63,995,000	—	4,787,000	8,723,000	+ 1,485,000
N.Y.N. Haven & Hart a	July	5,765,000	—	88,000	1,872,000	+ 18,000
12 mos.	to June	66,743,000	—	2,656,000	14,680,000	+ 3,697,000
N.Y. Ontario & Western a	July	933,000	—	15,000	362,000	+ 4,000
12 mos.	to June	9,041,000	—	413,000	2,109,000	+ 614,000
Norfolk & Western b	July	3,744,000	—	115,000	1,228,000	+ 78,000
12 mos.	to June	44,470,000	+	730,000	14,635,000	+ 139,000
Northern Pacific a	July	5,792,000	—	481,000	1,646,000	+ 636,000
12 mos.	to June	68,546,000	—	4,131,000	27,073,000	+ 930,000
Pennsylvania System: a	July	2,112,000	—	1,611,000	5,336,000	+ 301,000
E. of Pittsburgh 7 mos.	to July	138,427,000	—	9,857,000	24,391,000	+ 2,161,000
W. of Pittsburgh a	July	10,246,000	—	1,474,000	2,558,000	+ 88,000
7 mos.	to July	64,161,000	—	8,888,000	10,453,000	+ 441,000
Pitta. C.O. & St. Louis a	July	3,476,000	—	342,000	878,000	+ 200,000
7 mos.	to July	22,510,000	—	2,484,000	3,851,000	+ 1,117,000
Phila. & Reading Ry. b	July	3,822,000	—	390,000	1,128,000	+ 213,000
12 mos.	to June	48,485,000	—	3,067,000	15,164,000	+ 4,679,000
Phila. & R. Coal & Iron b	July	1,823,000	—	239,000	Def. 91,000	+ 2,000
11 mos.	to May	30,718,000	—	7,771,000	783,000	+ 3,085,000
Rock Island Lines a	July	—	—	197,000	—	+ 93,000
12 mos.	to June	68,298,000	—	6,136,000	13,719,000	+ 243,000
St. L. & San Francisco a	July	—	—	100,000	—	+ 243,000
12 mos.	to June	42,459,000	—	943,000	9,970,000	+ 3,406,000
Seaboard Air Line a	July	1,833,000	+	15,000	434,000	+ 7,000
12 mos.	to June	25,292,000	+	763,000	6,965,000	+ 146,000
Southern a	July	5,705,000	+	392,000	1,169,000	+ 50,000
12 mos.	to June	69,534,000	+	1,004,000	16,311,000	+ 1,545,000
Southern Pacific a	July	11,833,000	—	128,000	3,282,000	+ 135,000
12 mos.	to June	138,520,000	—	4,254,000	37,695,000	+ 6,312,000
Union Pacific a	July	7,559,000	—	263,000	2,676,000	+ 21,000
12 mos.	to June	92,115,000	—	1,523,000	31,626,000	+ 3,315,000
Wabash a	July	2,650,000	—	88,000	652,000	+ 34,000
12 mos.	to June	30,023,000	—	1,745,000	4,619,000	+ 1,586,000
Western Pacific b	July	6,112,000	—	62,000	1,328,000	+ 57,000
12 mos.	to June	6,099,000	—	73,000	697,000	+ 708,000



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The Statist

LONDON, SATURDAY, SEPTEMBER 19, 1914.

GERMANY FOILED.

ON Thursday Lord Kitchener was able to state without reservation or hesitation that the tide has turned. He went on to say, as might be expected from so eminent and experienced a soldier, that the war would be protracted, and that the country would have to make great exertions. He added, however, that the country is responding to the call upon it so splendidly that in the spring it will be able to place a very large army in the field. In the meanwhile the Expeditionary Force is in high spirits, and kept up in full strength, while it will be reinforced soon by Indian troops, British troops that have been garrisoning overseas possessions, and by troops sent from the self-governing Dominions and Commonwealths. All this is highly gratifying, and ought to encourage us to redouble our efforts. If anybody wants evidence to support Lord Kitchener's statement it will be found in the telegram from Washington, which informs us that President Wilson has received a telegram from the American Ambassador in Berlin to the effect that, in a conversation with the German Chancellor, he asked whether the Kaiser would be prepared to discuss terms of peace, and the Chancellor answered that as England, France and Russia had entered into a compact to make no terms except such as were agreed upon by all three, the best course for the American Government would be to consult the Allies. Clearly, therefore, it is beginning to be understood in Berlin that all its calculations have failed, and that, therefore, it is desirable that peace may be arrived at. We trust that no portion of the British people will forget that the war has been forced upon us, and that its real object is to protect Europe in the future from the constant perturbation in which it has been kept for so many years by Germany. The British people have no ill-feeling towards the German people. Most certainly, also, they are desirous of peace. But they cannot consent to a peace which would be merely a continuance of the nagging, threatening, and bullying that has been carried on by Germany, at all events during the past 20 years. The British people do not desire to break up Germany, but they are resolved, firstly, that Prussian militarism must be got rid of, and, secondly, that Germany must be compelled to respect both the feelings and the interest of her neighbours. For that purpose it is necessary that the portions of the German Empire which are held by the sword should be set free. The Zabern incident has proved to all the world that Alsace-Lorraine is still treated as a conquered province. Clearly both provinces ought to be restored to France. Prussian Poland, again, is so misgoverned that not very long ago there was a strike of the children at school, and everybody knows that the feeling in the Danish provinces is anti-German. All these provinces ought to be set free, and we trust most earnestly that

the Allies will consent to no peace which does not liberate them. In addition to this there ought to be full compensation, so far as any money compensation can be called full, given to Belgium, and personally we submit that the German generals who perpetrated such atrocities as the destruction of Louvain should be brought to account for their misdeeds. Regarding war indemnities, we of this Journal are opposed to them on principle as furnishing a motive for aggressive war, but we see no good reason why France should not recover from her adversary at least the five milliards she had to pay three-and-forty years ago. We do not think any impartial neutral will consider these terms too hard. Europe has put up with great provocation from Germany until the German Government came to think that neither the United Kingdom nor Russia would venture to oppose it. We cannot possibly go on living in such a state of expectant war in the future, and we hope that the great majority of our people have definitely made up their mind that a lesson shall be taught which will not soon be forgotten. We are glad to see that in the King's Speech yesterday the promise is reiterated that the war will be fought to a finish.

EGYPT AND THE WAR.

It is understood that a Committee consisting of a financial member of the Egyptian Government and other gentlemen is discussing with the British Government how best to finance Egypt during the war. Egypt is so largely dependent upon its cotton crop for its ability to pay its way that it is sometimes said that its wealth depends entirely upon cotton. Without indulging in such extravagance, however, it is perfectly plain that the war threatens to plunge Egypt into very serious difficulties. Egypt has a good cotton crop this year. It is expected to amount to about $7\frac{1}{2}$ million cantars, and it is by the sale of the cotton chiefly that the fellahen are enabled to pay their taxes to the Government. But it is argued the war is withdrawing such vast multitudes of able-bodied men from productive employment in all the belligerent countries that there must be an immense falling off in the manufacture of cotton, and consequently it is quite possible that Egypt may not be in a position to pay its way. There can be no question, then, that the matter is very serious, and deserves the most careful consideration by the British Government, the Egyptian Government, and the whole community. The *Egyptian Gazette* printed at the end of August a letter from Mr. Costi Pilavashi which has attracted much attention. The writer suggests that all the banks should advance collectively a minimum of 10 dollars per cantar, and that the National Bank should be authorised to issue notes to the extent of its advances under the suggested scheme, and to rediscount for the other banks. He argues that the notes so issued would have excellent security—first, the cotton, and, secondly, the borrowers; but he suggests that, furthermore, there should be a guarantee from the Egyptian Government. In addition to this he suggests that as the war is sure to cause a great falling off in the supply of food, and, therefore, to raise prices unduly, the growing of cotton in Egypt should be prohibited while the war lasts, or, at all events, during the coming year. We are not quite sure that the war will have such an adverse influence as the writer of this letter apprehends. In the portion of France which has suffered invasion the crops no doubt have been injured. The injury in Belgium has been still greater; and it is very probable that the harvest was not got in very well either in Germany or in Austria-Hungary, while it is difficult to see how the winter crops can be sown this year. It is reasonably probable, therefore, that in the two Central European Empires, and in Belgium, and a corner of France, there will be a great shortage of

A Strong Measure.

the crops. On the other hand, the crops everywhere else in the temperate zone are fairly good. We hope they will be good likewise in India, Argentina, and Australia. We see no reason, then, to fear such a shortage as Mr. Pilavashi apprehends, but nobody can speak with authority on such a matter. Still, it seems to us that it would be a very strong measure to prohibit the growing of cotton in Egypt even for a year, unless there is reasonable presumptive proof that there will be a shortage of the world's food supply in 1915. No doubt the committee already referred to will give its best attention to this matter, and will only advise so very strong a measure if it is convinced that Egypt itself may be in danger unless this step is taken.

Turning to the question how best to finance the marketing of the present year's cotton crop, we are fully in accord with those who advise that no pedantry should be allowed to stand in the way of whatever measures may be considered necessary. We are in a very great emergency, and we must have recourse, therefore, to emergency measures. It is for the Egyptian Government in particular, and those who are most interested in the coming crop, to inform themselves very carefully what ought to be done. In the first place, it is assumed by some that the fellaheen will not accept paper money. They have been used to be paid in gold. They hoard a good deal of the gold, and it is predicted that they will look with great suspicion, and even actual aversion, upon mere pieces of paper. Upon that point we do not profess to know enough of Egypt to speak with any confidence. Probably the Government authority would suffice to induce the fellaheen to accept notes, for the fellaheen have been submissive for so many thousands of years that it is difficult to believe they would rather hold back their crops than accept notes guaranteed by the Government. It is further alleged that unless a minimum price is fixed by the Government the fellaheen will obtain so little that it will be impossible for them to pay their taxes, and consequently the Government will be plunged into difficulties. We are not ourselves convinced that there will be such a falling off in the manufacture of cotton as is very generally assumed. Of course, the mills of Germany and Austria-Hungary cannot work full time even if they can, by means of neutral countries, obtain any considerable quantity of the raw material. But everywhere else there is no reason to conclude that there will be an immense falling off. The seas are kept clear, shipping can travel everywhere, and after the first alarm passes people will see that production must be continued in war time even more necessarily than in peace time, for the expenditure upon the war will be immense. Moreover, it is not to be forgotten that cotton

**Whatever is
Necessary Must
Be Done.**

manufacture employs a vast number of women; and, therefore, it is desirable that cotton production should be increased rather than decreased, since it will give employment to wives, daughters and sisters who might otherwise starve, and thereby enable them to earn a livelihood while so many fathers, brothers, and husbands are engaged in fighting. If, therefore, the banks all over the world, and the great Governments, do as they ought to do, confidence will revive quickly, trade will become fairly active, and in all probability there will not be that serious fall in the prices of the raw material which so many people fear. Nevertheless, we do not mean to condemn the recommendation that a minimum price should be fixed. It is necessary that Egypt should be spared as far as possible the sufferings caused by the war. Its Government, therefore, should not out of any merely prudish adhesion to presumptuous doctrines abstain from doing whatever may be necessary. We do not believe that the cotton trade will suffer as much as is now anticipated, but we have

no hesitation in saying that whatever is necessary should be done to protect the Egyptian people from suffering

**Interests of
Lancashire.**

It is to be borne in mind that the question is not one which applies to Egypt alone. It has an interest for Lancashire likewise, and, therefore, for the United Kingdom. Everybody is aware that the Egyptian cotton crop is of very fine quality and that it is largely worked up in Lancashire. If, therefore, there should be difficulty in marketing the crop, it would affect Lancashire adversely, and that ought to be prevented as far as possible. It may be objected that it would be to the advantage of Lancashire that the price of Egyptian cotton should fall, but that is a very narrow view to take. It is to the advantage of the whole British Empire that every country under the protection of the British flag should be fairly prosperous, that there should be no great dearth in any one, and that the populations should be well employed. Moreover, the mere advantage obtained by the purchasers of Egyptian cotton might bring about so many complications as to depress trade in general, and so prevent full employment being given to the workers in Lancashire. The real interest of us all is that we should be in a position to give full employment to all our people, and that the sufferings of the war so far as possible should be averted. Lancashire, no doubt, manufactures cheap goods on a large scale; but Lancashire is pre-eminent for the fineness of the quality it turns out, and to maintain her pre-eminence in that respect it is clearly requisite that she should be able to obtain a full supply of Egyptian cotton. Much of the difficulty, we fear, is due to the excessive alarm of the banks. They are unwilling to send gold, which would enable the cotton to be marketed as freely as usual, in spite of the fact that our Navy keeps the enemy's navy shut up in port, and that our Government offers insurance. The banks which usually remit the metal no doubt would reply that they cannot obtain from the other banks the necessary credit; and thus we come back to the fundamental proposition that the banking system of which we used to be so proud has utterly broken down.

NEED FOR PUSHING TRADE.

WHEREVER we go we find amongst the commercial community a full recognition of the very great opportunity that is being offered at present for pushing trade. It is called to mind that it was during the great Revolutionary wars a century ago that this country obtained its commercial pre-eminence, and it is pointed out that just now there is room for attaining a still greater pre-eminence in the markets of the world. The German fleet, on which such vast sums have been spent, and which was expected to do so much damage in case that country was involved in war, is shut up in its ports. The few commerce-destroyers that remain afloat are being gradually captured or sunk, while the German mercantile marine is completely laid up. Thus Germany is cut off from communication with the outer world, except so far as she can communicate through neutral countries. The

**The Break-
down of our
Banking.**

neutral countries, seeing the great German market cut off, are anxious to find other markets for their goods. Everywhere there is a disposition to push trade, but financial difficulties stand in the way. Bankers and accepting houses have not even yet recovered from the shock to their nerves caused by the outbreak of war, and everywhere, even in the neutral countries, there is a breakdown of the Money market. As we point out elsewhere, there are measures under consideration for revivifying the Egyptian Money market. Negotiations, likewise, are going on, it is understood, between our own Government and the Government of the United States for re-

establishing the foreign exchange, and there seems to be reason for the belief that the negotiations are promising. Steps likewise are being taken with regard to India and the great self-governing Dominions. Still, business is held in check. Merchants everywhere are complaining that, however anxious they may be to take up the work that has been dropped by Germany, they are unable to carry out their intentions, for the necessary accommodation cannot be obtained. We cannot erect new machinery, they say, or lay down this plant, or do those other things simply because the bankers will not afford us the credit which is absolutely requisite. Thus the opportunity is passing away. Yet never was there more need for expanding trade in every possible direction. The expenses of the war will be enormous, and they ought to be met, as far as the case admits, out of the revenue; but if trade is not kept exceedingly active, is not spread in every direction, how can the requisite amount of expenditure be covered by the revenue? Again, it is of the utmost importance that every person willing to work should be afforded employment at fair wages. If, however, merchants cannot get the accommodation which they require, how can that be effected? It was not surprising that so sudden an outbreak of war upon a scale so vast should create widespread alarm, and for a while disorganise the international Money market, but it is surely disappointing to find our bankers so bereft of initiative as they are showing themselves to be at present.

The first thing to be done evidently is to impart activity to trade. If the information which reaches us is correct, there is a fair prospect that measures will be taken by our own and the United States Governments to remove the obstacles which now obstruct commercial dealings between us. But that will be only one step. There will be the whole of South America, of our self-governing Dominions, Egypt, India, China, and so on, in which difficulties will continue, and it is absolutely necessary that those difficulties should be swept away without delay. There may be need for action on the part of our Government, and possibly on the part of other Governments as well, but merchants

Merchants and Bankers.

allege that much of the difficulty is due to the nervousness of bankers. They assert that the banks are not fulfilling the undertaking they gave to the Government, that they would lend and discount as in normal times, and in proof of the assertion they point out that the banks refuse to remit gold abroad, thus endangering a suspension of all commercial operations. There is much force in this argument. But we must not overlook the fact that bankers can allege on their own behalf that many merchants cannot collect the debts due to them by merchants of the two enemy countries. That, therefore, the capital of those merchants is impaired for the time being, and that, consequently, their credit is weakened. In short, the case for the banks is that where they act as they are accused of doing they have no alternative, because the sudden breaking out of an unexpected war has so reduced the available wealth of the merchants that they cannot expect other business men to lend to them on the scale they did in peace times. Such being the condition of things, it is clear that there must be a very serious falling-off in the trade of this country unless something further is done by the Government to remove all obstructions. There are men of high character and standing in the City who hold that it would be dangerous to do more than has been done already, that it will be extremely fortunate if the whole nation is not let in for large sums which it may be found impossible to collect from the enemy countries, and that it would be rash to add to our liabilities. While we recognise the possibility of such loss and the weight of the arguments put forward, we cannot ourselves accept the conclusions. On the contrary, we are forced to say that the losses will

probably be very much smaller than is now apprehended if we act as boldly in trade as we have acted in politics. We are in for an enormous expenditure however niggardly we may act. Germany, we have every reason to expect, will fight while she has any fight left. Therefore it is extremely probable that the war will be much longer than most people anticipated, and that in consequence our expenditure will be upon an enormous scale. Surely, then, the wisest course is to enable the population to carry on as large a trade as is possible, so that merchants may grow in wealth, that the working classes may be given full employment, and that no serious distress may affect the community. It is objected that the waste of both capital and labour caused by the war will make it impossible to carry on a very great trade, and therefore that the more we increase our liabilities the more we shall suffer when the war comes to an end. Against that we would remind our readers that it was in the great revolutionary wars with France that we established our command of the sea and our commercial supremacy. With that experience to guide us is there any good reason to expect that we shall fail to carry on a great trade now no matter how we exert ourselves? On the contrary, our own impression is that if we have the courage and the enterprise we may increase our trade instead of decreasing it, for if the two Central European empires are practically driven out of the world's markets we have new countries entering which can fill the void. Compare the United States now, our self-governing Dominions and Commonwealths, India, Japan, and South America, with what they were a hundred years ago, and will any sane man seriously contend that a great trade cannot be conducted?

There is every reason, so far as we can see, to expect that there will be an abundance of food. Unfortunately the weather has been unfavourable to Canada of late, and the crop, therefore, will not be as large as it promised to be; but the United States crop will be very large, and everything points to a very large Russian crop as well. It is sometimes said that Russia will not permit the export of wheat. It seems to us that it would be a very unwise thing on the part of the Russian Government to prohibit exports. Russia has a very difficult and costly war upon her hands. It is clearly not to her interest

The Wheat Supplies.

to impoverish her agricultural population, but if she prohibits exports of wheat she must impoverish her people. Her armies no doubt will require to be fed, but, after all, the armies will not consume the whole of the crop, and to avoid impoverishing the people it seems to be necessary that exports of wheat should be permitted, at all events upon a moderate scale. It is too soon yet to form any estimate of what will be the wheat crops of India, Australia, and Argentina, but it is to be hoped that they will be sufficient to prevent food from becoming either scarce or dear. In any event, the duty of the banks is to give the requisite accommodation to their customers. If there is anything in the situation which prevents them from doing so, and which the Government can remove, clearly it is the duty of the Government to come to their assistance. But the banks do not give encouragement to any governmental assistance, for they are not availing themselves to the extent that they ought to do of the measures that have been already adopted.

PRUSSIAN MILITARISM.*

IN inviting the attention of our readers to the now notorious work of General von Bernhardi, we have no wish to intensify the feelings aroused by the destruction of Louvain and other German atrocities. Our real intention is to enable our readers to understand what Prussian militarism is, and, therefore, how de-

* *Germany and the Next War.* By General Friedrich von Bernhardi. Translated by Allen H. Powles. (London: Edward Arnold. 1914.)

sirable it is that it should, as far as possible, be disarmed. For some time we avoided noticing the book, because it is so frank in the brutality of the policies it recommends, and we hoped that it was the expression of the peculiar morals of an individual, or a small clique. What has happened since the war began, and more especially the manner in which the Belgians have been treated, compels us to change our opinion, and to acknowledge that General von Bernhardt really was giving voice to the Prussian militarists in general. The book itself is not deserving of much attention. It is certainly not original. Its observations are never profound, while they are sometimes exceedingly childish, and its arguments are such as might be expected from a very clever youth who had not had much experience, but whose mind had been subjected to a forcing process. The book, in short, would be contemptible if it did not give to the world a frank declaration of the morals, the policies, the hopes, and the convictions of a clique which has dominated Prussia for many generations, and is now leading her to destruction.

BRITISH RAILWAYS.

THE RAILWAYS UNDER WAR CONDITIONS.

No praise is too high for the manner in which British railways have been operated under their existing unified management, and have conveyed the forces of the Crown wherever it was necessary to convey them in the time allowed for their conveyance. In conveying the Expeditionary Army to the sea coast for embarkation every train reached its destination with its proper consignment of troops and material at the specified time. Necessarily the conveyance of the troops has interfered with the work of dealing with the ordinary traffic, and has caused a certain amount of delay, but every effort has been made to deal with the general traffic so as to cause the public a minimum of inconvenience.

An announcement by the Board of Trade this week of the terms under which the nation is renting the railways from the companies during the war is a reminder that the railways are now being operated by the State, and that the Board of Control, consisting of the various railway managers, under the command of Mr. H. A. Walker, the General Manager of the London and South-Western Railway, is responsible for the time being, not to the directors and shareholders, but to His Majesty's Government.

The announcement issued by the Board of Trade is as follows:—

"The Regulation of the Forces Act, 1871, under which His Majesty's Government have taken possession of most of the railroads of Great Britain, provides that full compensation shall be paid to the owners of the railroads for any loss or injury they may have sustained thereby, the amount of such compensation to be settled by agreement, or, if necessary, by arbitration.

"His Majesty's Government have agreed with the railway companies concerned that, subject to the undermentioned condition, the compensation to be paid them shall be the sum by which the aggregate net receipts of their railways for the period during which the Government are in possession of them fall short of the aggregate net receipts for the corresponding period of 1913. If, however, the net receipts of the companies for the first half of 1914 were less than the net receipts for the first half of 1913, the sum payable is to be reduced in the same proportion. This sum, together with the net receipts of the railway companies taken over, is to be distributed among those companies in proportion to the net receipts of each company during the period with which comparison is made.

"The compensation to be paid under this arrangement will cover all special services, such as those in connection with military and naval transport, rendered

to the Government by the railway companies concerned, and it will therefore be unnecessary to make any payments in respect of such transport on the railways taken over."

Thus the rent to be paid by the nation to the companies is the net earnings they would have earned had there been no war and had there been no greater falling-off in trade and in earnings in proportion than in the June half of 1914. The amount of the net earnings of all the railways for the June half-year of 1914 has not been published, but it was compiled by the railways, and the shrinkage, absence of shrinkage, or expansion that occurred is readily ascertainable. On the whole the net earnings appear to have been somewhat less in the June half of this year than in the June half of 1913, but not so much less as the reductions in dividend would lead one to suppose.

It will be remembered that the railway companies were face to face with a demand from their men for a large percentage and general increase in wages in the autumn of this year, when the agreements expired, and consequently there were reasons for conservative action in the matter of dividends, especially in certain instances. On the whole we are under the impression that the net earnings guaranteed to the railways by the Government during the time the railways are worked by the State will not be much less than were the net earnings in 1913, and that, consequently, railway shareholders will not suffer any serious loss of dividend.

Of course, the value of railway stocks will doubtless be governed in some measure by the dividends which are expected to be paid after the war is over, and by the rate of interest which then prevails for investment securities. Both of these considerations will depend upon the duration and cost of the war to this country, the effect of the war on British prosperity, and how far the money of other countries is sent to Great Britain for safe custody. No one can, of course, form any pronounced opinion or judgment upon these things at the present time. It is not impossible that the war may be a short one, but, on the other hand, there are persons whose opinions are entitled to great weight who fear it may last for two or even for three years. As far as we have been able to form an opinion, we have come to the conclusion that the strain on the physical, financial, and economic strength of Germany will be so great that the war cannot be a long one, and that as far as this country is concerned its economic effects will be comparatively small. In coming to this conclusion we have taken into account that the whole world is open to our trade outside the enemy countries; that everything possible is being done to restore the damage temporarily caused to credit by the outbreak of so great a war; that in the course of a comparatively short time the nations of the world outside the fighting area will manufacture, produce, and trade much as usual; and that France and Russia will be able to purchase the goods they need from other lands, if not by sales of produce, then by sales of securities.

Of course it is evident that, whether long or short, the war cannot fail to affect the world's general prosperity for many years to come, but we are not without hope that its effect will be more or less confined to the stoppage of the expansion in the world's prosperity and that it will not bring about any great diminution in well-being. If after the war there should, as seems probable, be a great exodus of population from the closely populated and war-stricken countries of Europe to the new countries where war is unknown and where a given amount of effort produces a much greater amount of income than in Europe, the adverse effect of the war upon world income and world trade may be repaired in a relatively short space of time.

As far as this country is concerned, the effect of the war may be surprisingly small, seeing that we still have nearly the whole world open to our trade,

and that, inasmuch as efforts are being made to produce in this country the things which we previously purchased from the Continent, the decline in certain industries is likely to be attended by the growth of others.

To show the actual dividends paid in 1913 and in the first half of 1914, and the yields afforded on the basis of the last two half-yearly dividends at the prices now current or which were quoted at the end of July, we give the following:—

	1913			1914			Price	Yield %	d.
	June	Dec.	Year	June	Year	Year			
Barry Ordinary ...	10	10	10	10	10	167	6	1	3
" Deferred ...	6	6	6	6	6	88	6	17	2
Caledonian Ordinary ...	3	4	3	—	—	61	5	18	8
" Deferred ...	nil	1	—	—	—	104a	4	15	10
Furness Ordinary ...	2	3	2	nil	1	34	4	8	11
Glas. & S.W. Def. ...	2	3	2	—	—	36a	7	7	4
Gt. Eastern Ord. ...	—	4	2	—	2	40	6	5	0
Gt. N. of Scot. Def. ...	1	2	1	1	1	20	7	8	2
Gt. Northern Def. ...	—	—	3	—	3	42a	7	10	0
" " A Stock ...	—	—	3	—	3	41	7	12	10
Gt. Western Ord. ...	4	8	6	4	6	106a	5	19	1
Highland Ord. ...	—	5	2	nil	2	37	6	15	0
Hull & Barnsley Ord. ...	3	4	3	1	2	50a	5	10	10
Lanc. & York. Ord. ...	3	5	4	3	4	73a	5	17	8
L. & N.-W. Ord. ...	6	8	7	5	6	116a	5	13	1
L. & S.-W. Ord. ...	4	7	5	4	5	105	5	13	0
" Def. ...	—	—	1	—	1	27	7	2	10
L. B. & S. C. Ord. ...	2	8	5	2	5	94	5	10	0
" Def. ...	—	—	4	—	4	72a	6	1	5
L. C. & D. 4½% 1st Ref. ...	4	4	4	4	4	76	5	18	10
" 4½% 2nd " ...	nil	3	1	nil	1	37	4	1	8
" Ord. ...	nil	nil	nil	nil	nil	104a	—	—	—
Metropolitan Ord. ...	1	1	1	1	1	31a	5	5	8
Midland Def. ...	3	5	4	3	4	61a	6	16	8
N. British Def. ...	nil	2	1	—	—	21a	6	4	4
N.-E. " Consols " ...	5	8	7	5	7	114a	6	3	11
North Lond. Ord. ...	5	4	4	4	4	88	4	16	10
North Staff. Ord. ...	4	6	5	3	4	79	6	4	7
Rhymney Ord. ...	8	10	9	8	9	168	5	7	9
" Def. ...	4	6	5	4	5	92	5	9	1
South-Eastern Ord. ...	1	6	4	1	3	69	5	9	6
" 6% Pref. ...	3	9	6	2	6	106	5	14	10
" Def. ...	—	—	2	—	1	31a	5	0	0
Taff Vale Ord. ...	4	4	4	4	4	67	5	19	5

* Dividend announcements deferred.

(a) Approximate current prices; other quotations as of July 30.

SUGAR.—II.

Two principal points brought out in the remarks and statistics we gave last week were the growth of the world's production of sugar and the respective quantities of cane and beet sugar. We dealt alone with quantities, both in respect of the world's output and of the imports into the United Kingdom of different descriptions of sugar. This week we furnish some particulars, with a diagram, which afford a history of the approximate course of price of sugar since 1870. In taking price movements into consideration a variety of causes, including crop variations, have to be given heed to. But the main cause in bringing down the price since the seventies was the very considerable substitution of beet sugar for cane. The lower and lower trend of prices in the main is attributable to the competition of European beet-grown sugar, and the average prices of several years prior to 1900 very severely handicapped those countries which produced cane sugar.

The record of highest and lowest prices of sugar—different descriptions of sugar of course move about *pari passu* with each other—is given below. It will be noted how the completion of beet-sugar production gradually brought down the price:—

88 per Cent. Beet f.o.b. Hamburg, per Cwt.

H.	L.	H.	L.	H.	L.
1871... 28/3	25/1	1886... 15/9	10/0	1901... 10/1	7/3
1872... 27/1	25/1	1887... 15/8	10/8	1902... 9/1	6/8
1873... 24/6	23/2	1888... 16/3	12/6	1903... 9/1	8/2
1874... 25/9	22/6	1889... 28/3	11/0	1904... 15/0	8/3
1875... 23/10	21/3	1890... 14/3	11/8	1905... 16/4	8/9
1876... 30/8	21/3	1891... 14/10	12/3	1906... 10/9	8/3
1877... 31/0	21/3	1892... 14/11	12/5	1907... 10/8	9/3
1878... 22/5	21/2	1893... 19/0	12/2	1908... 12/0	9/8
1879... 27/2	20/3	1894... 13/1	8/7	1909... 13/1	10/2
1880... 26/2	21/3	1895... 11/1	8/5	1910... 15/0	9/0
1881... 25/3	22/3	1896... 12/10	8/7	1911... 18/9	9/1
1882... 23/10	19/6	1897... 9/4	8/2	1912... 16/4	9/3
1883... 21/3	18/7	1898... 10/3	8/11	1913... 10/0	8/9
1884... 18/1	9/9	1899... 11/8	9/9	1914... —	*9/6
1885... 17/0	10/0	1900... 12/10	9/8		

* Nominal price, July 30.

The nation that is the biggest purchaser of sugar is the United Kingdom, though it is run close by the United States, which imports largely in addition to growing a considerable amount of its own requirements. The respective populations are: United Kingdom, 46,000,000; United States, 97,000,000. Though the bill for the imports of sugar required in the United Kingdom was less in 1913 than in each of the three previous years, the quantity—1,968,000 tons—for that year was a record one, of a value in round figures of £23,000,000. Both quantity and value were in respect of refined and unrefined beet and cane sugar, and quite irrespective of the multitude of forms of a comparatively small quantity of sugar imported and figuring in condensed milk, chocolate, fruit, &c., and also molasses and raw material imported for the use of brewers, &c. A contrast of the total value of sugar alone imported into the United Kingdom in each of the last four years and in 1902 is given below:—

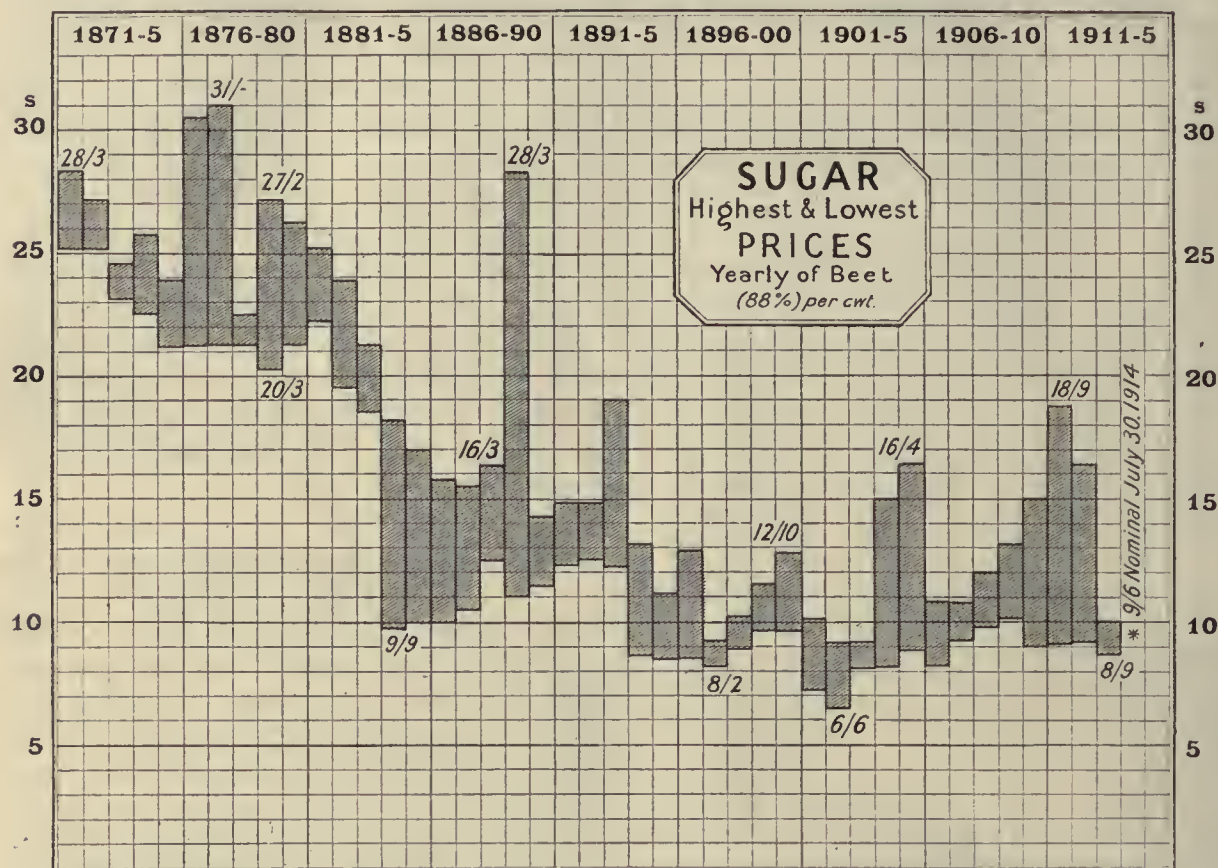
	1913	1912	1911	1910	1902
	£	£	£	£	£
Beet ...	19,128,000	17,268,000	19,097,000	15,501,000	13,162,000
Cane ...	3,938,000	7,831,000	7,470,000	9,043,000	1,570,000
All sugar ...	23,066,000	25,149,000	26,567,000	24,544,000	14,732,000

In the three years prior to 1913 very large quantities of cane sugar were received in the United Kingdom, and that such was the case appears to have been due to a higher level of price. But if one goes back to the year 1902, of the total imports 89 per cent. represented beet, and even after the development of the policy initiated in 1903, in respect of abolition of bounties by Continental countries other than Russia, we have, 10 years after—that is for 1913—beet figuring for 83 per cent. of the total value of all sugars we imported. To account for so large a proportion of our reliance on beet sugar it has to be borne in mind that the beet-producing countries are in close proximity to the United Kingdom. To a low price for the article are to be added the features of quick and cheap transport.

It will be of interest to have the figures for the last complete twelve months of the United States as to production and import and contrast the consumption with that of the United Kingdom. They are as under:—

United Kingdom.		United States.	
Population 46,000,000.		Population 97,000,000.	
	Tons		Tons
Beet sugar import ...	1,599,000	Cane sugar import ...	2,116,000
Cane " ...	369,000	" production ...	153,000
Production ...	Nil	Beet sugar " ...	618,000
	1,968,000	Total consumption ...	2,887,000
	95 lb. per head		66½ lb. per head

The great drought of the year 1911 on the Continent had a very disturbing effect on the market for sugar, bringing about an appreciably higher price and necessitating a considerable demand for cane-grown sugar. (We may here mention that in the first table at page 567 of our issue last week the sign in 1910 should have appeared against 1911.) Without entering into a comparison of each year beyond the figures we have given above, it will be of interest to take note of the remarkable manner in which the restoration of good crop conditions on the Continent threw enormous supplies into the market, and the effect of the ability to obtain huge quantities of sugar at a cheap price completely changed the ratios of recent years between the quantities and values of beet and cane sugar imported into the United Kingdom. In the above figures for the past four years and 1902 the amounts respectively of beet and cane and the total are given in sterling each year, but in the contrast we give below we detail the amount paid in 1913 as against the previous year. We would call attention to the immensity of the sums which we paid in 1913 to the two enemy countries on the



Continent, Germany and Austria, which, as we showed last week at page 567, are the two largest producers on the Continent. The contrast of the two years is remarkable from this fact, also from the feature that in our imports of cane sugar there were some extraordinary changes. In 1913 we took from Cuba sugar to a value of nearly double what we had to pay that country in 1912, the lower price in 1913 notwithstanding. From Java, on the other hand, we took virtually nothing in 1913, as against 1912, when we paid that country over £2,600,000 for what it sent us.

The contrast in detail of the values of our imports of sugar in 1913 and 1912 given below discloses the enormous preponderance of our reliance on beet sugar and the magnitude of our purchases from Continental sources of supply. The figures are as under:—

	1913		1912	
	£	£	£	£
REFINED SUGAR—				
Foreign: beet	12,347,000		13,155,000	
Germany	6,161,000		4,298,000	
Austria	2,632,000		1,942,000	
Holland	2,477,000		3,104,000	
Belgium	669,000		1,097,000	
France	357,000		232,000	
Russia	38,000		1,532,000	
Other countries	13,000		950,000	
British Colonies: cane	3,600		218,000	
UNREFINED: BEET				
Germany	4,727,000		1,723,000	
Austria	1,618,000		1,476,000	
Other Europe	436,000		914,000	
UNREFINED: CANE—				
Foreign countries	3,007,000		6,273,000	
Java	1,400		2,629,000	
Cuba	2,249,000		1,204,000	
Peru and Brazil	318,000		970,000	
Other	438,600		1,470,000	
British possessions	927,000		1,392,000	
	23,065,600		25,149,000	

As in the circumstances we have hitherto been so reliant on countries that are now our enemies, it will be of interest to give a *résumé* of the extent of our sugar imports from Germany and Austria in each of the last two years.

Imports of United Kingdom of Refined and Unrefined Sugar from:—

	1913		1912	
	Tons	Value £	Tons	Value £
GERMANY	937,150	Refined ...	447,150	4,298,000
		Unrefined ...		1,723,000
		10,888,000		6,021,000
Average price per cwt.		11/7½	13/6½	
AUSTRIA	308,850	Refined ...	229,450	1,942,000
		Unrefined ...		1,476,000
		4,250,000		3,418,000
Average price per cwt.		13/9	14/10½	
Totals of the two countries	1,246,000	15,138,000	676,600	9,439,000
Grand total of all sugar from all countries	1,968,000	23,065,600	1,717,550	25,149,000

We are glad to note that the *London Gazette* of last week contained a notice, dated Whitehall, September 11, 1914, of the appointment of a Royal Commission to report upon the sugar position. The Commission is comprised of:—

Right Hon. Reginald McKenna, Secretary of State for the Home Department.

Auberon Thomas, Baron Lucas, President of the Board of Agriculture and Fisheries.

Right Hon. Walter Runciman, President of the Board of Trade.

Sir H. W. Primrose.

E. S. Montagu, Esq., Financial Secretary to the Treasury.

G. S. Barnes, Esq., Second Secretary to the Board of Trade.

R. P. Lyle, Esq.

W. C. Slaughter, Esq.

INDIAN SUGAR FIGURES.

THE position of India both in respect of its production and consumption of sugar is, outside of expert quarters, very little known of by the general public. It will be a matter of surprise to a great number of persons to learn that India's own production of cane sugar equals not far off one-third of the total production of cane sugar of the world, and yet India not only keeps the whole of its home-grown sugar at home for consumption, but also imports to a considerable extent. It is estimated that the present production in India is at the rate of three million tons per annum. In addition to which, for the year to March 31, 1913, India imported about 617,500 tons of cane sugar, as to about three-fourths from Java and the balance from Mauritius. Then, further, it imported 57,000 tons of beet sugar, nearly the whole of it from Austria, but a trifling amount being received from Germany. Consequent on the European drought of 1911 the high range of price and increase in demand for cane-sugar gave India the opportunity to make the exceptional export of sugar to the United Kingdom of some 650,000 tons, for which we paid £1,114,000.

Though in dealing in THE STATIST of April 27, 1912, with some opinions with facts and figures contributed by an Indian correspondent, we were not altogether in accord with his views, we noted that the country required an infusion of capital for lifting it out of a rut of producing and dealing with sugar in a very unscientific manner. But with demands that the Government should take up the matter by providing small cultivators with capital we did not agree. We regarded it as a matter that should be left to private initiative. We, however, fully agreed that the field, scientifically dealt with, both from the finance, growth, and refining points of view, could be made a very important one, with probably early emergence to the condition of India becoming an exporter. The erection of local refineries certainly would put an end to the necessity to import European beetroot sugar. Figures relating to India, in the circumstances, will be worth giving in some detail. They are as follows:—

	CONSUMPTION—			DETAIL OF IMPORTS—				BEET, practically all Aus- tria and Ger- many
	Home Produc- tion	Total Imports & Consump- tion	TOTAL Tons	Manri- tius Tons	Java Tons	Other Tons	TOTAL CANE Tons	
1896-7	—	134,100	—	74,450	4,850	10,500	89,800	44,300
1897-8	—	211,760	—	70,300	7,000	24,150	101,450	110,300
1898-9	2,076,000	188,200	—	89,650	8,100	14,150	111,900	76,300
1899-1900	1,860,100	147,250	—	70,850	9,500	22,800	103,650	43,600
1900-1	2,276,000	244,050	—	104,750	11,250	36,950	154,450	89,600
1901-2	2,022,000	271,400	—	87,950	15,500	21,150	124,600	146,800
1902-3	1,906,700	249,300	2,156,000	95,750	28,650	62,050	176,450	72,850
1903-4	1,871,900	301,900	2,173,800	130,800	68,750	78,700	274,250	27,650
1904-5	2,169,000	327,450	2,496,450	91,150	104,550	45,950	241,650	85,800
1905-6	1,725,000	384,800	2,109,800	100,650	100,350	12,150	213,150	171,650
1906-7	2,205,000	468,650	2,691,550	115,500	172,350	7,500	296,350	190,200
1907-8	2,047,000	502,250	2,549,250	130,000	329,650	2,900	462,550	39,700
1908-9	1,873,000	533,150	2,406,150	125,700	308,600	1,650	435,950	97,200
1909-10	2,125,000	556,750	2,681,750	121,750	390,750	1,300	513,800	42,950
1910-11	2,217,000	628,950	2,843,950	146,700	437,950	8,550	590,700	36,250
1911-12	2,451,000	507,050	2,958,050	85,600	403,000	850	494,350	12,700
1912-13	2,552,000	675,000	3,227,000	150,750	465,500	1,500	617,750	57,250
1913-14*	3,000,000	—	—	—	—	—	—	—

* Estimated home production of all sugar.

SAN PAULO TREASURY BILL REPAYMENT.

MES RS. J. HENRY SCHLÖDER AND COMPANY intimated this week that they were prepared to pay off on Friday the £2,000,000 of this State's One-Year Treasury bills, due September 15-18, on the production by holders of a satisfactory declaration that the bills presented for payment are held for value by the presenters or that the presenters are not collectors on behalf of an alien enemy.

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Financial Notes.

ON Tuesday the Imperial Bank of Germany return for the week ended September 7 was issued. It is worth the attention of our readers because of the light it throws upon the state of the Germany Money market under the influence of war. On July 23 the gold held amounted to £67,842,850. On September 7 it had risen to £79,007,400, showing an increase for the six weeks of £11,164,550, or 14.1 per cent. Clearly, therefore, the Bank and the Government are exerting themselves to the utmost to augment their stock of the metal. The notes in circulation on July 23 amounted to £94,544,750. On September 7 they had risen to £206,903,300, an increase during the six weeks of £112,358,600, or 118.8 per cent. Obviously, then, the Government is defraying its expenditure at home in very large measure by the issue of notes.

Perhaps the most instructive item in the return is that relating to the bills discounted. On July 23 they amounted to £37,544,600. On September 7 they had risen to £233,988,450, an augmentation in the six weeks of £196,443,700, or 523.3 per cent. The figures tell eloquently of the utter breakdown of the Money market in Germany. Of course, there has been a breakdown in all the Money markets, even in those not involved in the great struggle; but that the central institution in Germany should have to give accommodation on so colossal a scale is evidence of dislocation far greater than has been experienced here. Always, it is true, trade in Germany is financed by the banks on a scale quite unknown here at home, but it would look from the figures just quoted as if the other banks had practically retired from business for the time being, and that the whole trade of the country is being financed by the State Bank.

There is little calling for notice in the return of the Imperial Bank of Russia for the week ended September 5. The gold has slightly increased, and now amounts to nearly 172½ millions sterling. The notes in circulation have also increased, not very considerably for the week, but compared with the return of July 21 there is an increase from a little

under 163½ millions sterling to very nearly 251½ millions sterling, or 88½ millions sterling, being 51 per cent. Partly the large increase in the notes is due, of course, to the war, but to a considerable extent it is due likewise to the moving of the crops. Russia, it will be recollected, is a great exporter of grain. Therefore there is always a large increase in currency while the crops are being moved, and this year we may be sure the usual expansion has taken place. But naturally a large part of the home expenditure upon the war is being defrayed by the issue of notes.

Up to the present the monsoon in India has been most satisfactory, and as we are now past the middle of the month of September we may reasonably hope that the country will have another exceedingly prosperous year. Trade in the interior is reported to be good, and the public is looking forward to a continuance of prosperity. The general impression amongst those in a position to be well-informed is that although trade will be active, it is not likely that there will be a large import of gold. In existing circumstances the sale of bar gold in the Open market in London every week has been stopped, as our readers are aware, and probably will not be resumed for some time. With regard to sovereigns, it is too soon, of course, to form an opinion, but the impression seems to be that the banks will not care to deal in sovereigns to any extent. The apprehension is that the great home banks would not be inclined to give accommodation for that purpose, and that the Indian banks, therefore, will not care to enter into the business. In any event we have to bear in mind that the monsoon has been excellent; that the crops, therefore, will be very good; that India will be in a position to export upon a large scale, and that unless the banks fail in their duty India ought to have another good year.

An important decision was come to on Wednesday by the President of the Prize Court in the case of the *Marie Glaeser*. The vessel belonged to German owners, and was captured at sea by a British cruiser, and since has been condemned as lawful prize. She had been mortgaged, however, to a Dutch firm, and as neutrals the firm claimed that a sufficient sum out of the proceeds of sale of the prize should be set aside to satisfy the amount which might be found due to the mortgagees, on the ground that they were, as neutrals, entitled to have their property or interests protected. The President decided that he had no hesitation in pronouncing that upon the authorities, upon principle, and upon grounds of convenience and practice, the claim of the neutral mortgagees must be rejected. He added that even assuming that the mortgagees had a "property" in the vessel, or even if they had rights of ownership, and could properly be regarded as the owners of the whole or any part of the vessel, the fact that the vessel was sailing under the German flag, with papers entitling her to do so, and navigated by a German master in the commerce of the German Empire, would be fatal to their claim.

METROPOLITAN WATER BOARD BILLS.

On September 14 the tenders for £1,000,000 six months' bills to fall due March 18, 1915, reached £5,277,500. Those tendering at £98 8s. 5d. per cent. received only about 12 per cent. of their applications; applicants above this figure received in full. The average price at which the bills were disposed of was £98 8s. 5.5d., equal to an average rate of discount of £3 3s. 1.01d. per cent. The result of the issue may certainly be regarded as satisfactory by the Water Board, for the bills were placed considerably below the rate of 3½ to 3¾ quoted on Monday last for six months' Bank bills.

DOMINION OF CANADA

Dominion and Provincial
Statutes, Blue Books, and
Records are kept for public
reference at the Office of
the

HIGH COMMISSIONER FOR CANADA

OFFICIAL INFORMATION

as to the Development and Resources of the
various Provinces; the Import, Export,
Railway, Crop Census and other Statistics,
Customs and Commercial Regulations, can be
obtained from

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American Topics.

WAR FINANCE IN AMERICA.

(FROM A SPECIAL CORRESPONDENT.)

NEW YORK, September 8, 1914.

WHILE London, Paris, and Berlin have been struggling with the big financial problems of the war, the New York market has had to deal with somewhat lesser ones growing out of the reaction of European events upon American finance. In some particulars a degree of promptness and efficiency has marked the conduct of the American Government and American bankers which was sadly lacking in the crises of 1893 and 1907; but there have been some problems upon which action has been less clear cut and whose solution is still in some doubt. American finance was never in better position to meet a crisis than at the close of July, when the war-cloud burst so suddenly, foreign exchange broke down, and the news of moratoria throughout Europe reached this country. If a like crisis had arisen in 1895, when the gold reserve of the Treasury had fallen below \$45,000,000, and it became necessary to entrust its protection to the syndicate headed by Messrs. J. P. Morgan and Company, the results would have been disastrous. Specie suspension could not have been averted, and a repetition of the panic of 1893 would undoubtedly have brought down many additional banks and business houses and driven many railways into the hands of receivers. None of these conditions prevailed, however, in July last. Liquidation had already reduced

values on the Stock Exchange to a low level, the country was equipped with a stock of gold larger than that of any other nation, loanable funds were plentiful in New York, and both the Federal Treasury and the banks were in a strong position. Under these circumstances, it was clearly recognised by everybody that the trouble came entirely from without, and that if monetary panic could be averted American finance would not be seriously threatened.

The total gold stock of the country, including coin in circulation, as well as Treasury and bank reserves in coin and bullion, was estimated for August 1 at \$1,887,270,664. The exports of gold from New York, which had mounted to about \$130,000,000 since the beginning of the year, had, to use a piece of American slang, hardly "made a dent" on the great stock of gold in the country. The weak points in the situation were the fact that so much of the gold was represented by gold certificates in circulation, and was, therefore, unavailable as a basis for bank credit; that practically the full weight of the pressure for gold fell upon the banks of New York, instead of being distributed over the entire mass; and that there was as yet no central authority authorised by law and by financial opinion to deal with the situation. Nothing could have brought into clearer relief the wisdom of those who had advocated the formation of a strong central bank in the United States, and who, even after this was refused by Congress, urged that the institution to be set up in New York under the provisions of the Federal Reserve Law should represent the entire country north-east of the Potomac, and, therefore, be of a magnitude commensurate with its responsibilities. Slowly but surely, however, events have worked in the direction of co-operation among the banks and the assertion of authority by the new Federal Reserve Board at Washington, which tend to make this body, in effect, the directors of a central bank. Leadership has been assumed by the Secretary of the Treasury in a way gratifying and in some degree surprising to those who have found the present Administration cold and distrustful towards Wall Street. So recently as Friday last, September 4, a Conference at Washington resulted in an agreement among the leading bankers of the country to distribute the demand for gold for exchange purposes over all the principal banks, instead of leaving it to concentrate on New York.

It is proposed to make up a pool of about \$150,000,000 to meet gold obligations abroad, part of which will probably be transferred to Ottawa to the credit of the Bank of England. Towards this fund the Federal Treasury can afford to contribute, say, \$40,000,000 without impairing the solidity of its position. The Treasury, in addition to the required legal reserve of \$150,000,000 against United States notes, has free gold in its current cash to the amount of more than \$123,000,000, and this amount has not been seriously diminished since the outbreak of the present difficulties. These sums, of course, are exclusive of the gold held in trust against gold certificates, whose net amount on September 3 was \$943,500,000. This figure is arrived at by deducting from the total gold held against certificates the amount of certificates in the Treasury cash.

One of the factors which have added to the difficulty of the situation has been some rather crude and venturesome financing on behalf of the City of New York, based upon the effort to make profits of small fractions by placing short-term City obligations abroad, and relying upon tranquillity in the Exchange market to meet such obligations profitably at maturity. Disgust and some resentment have been felt among New York bankers that such large risks were taken for such small possibilities of profit, when the New York banks would have been glad to take the City warrants at a reasonable rate when they were issued. Another shortsighted piece of City financing, due to the lack of

practical banking training, was the distribution of the City funds among a number of secondary institutions, because they were willing to pay a higher rate on the City deposits than the stronger banks considered to be good banking. Obviously, the secondary institutions were both unwilling to surrender their City deposits at such a time, and were unable to furnish the exchange to meet the obligations of the City abroad. This matter has finally been adjusted by the offer of the New York banks, headed by Messrs. J. P. Morgan and Company, to find the money for the City maturities and pull the City Treasury out of the mire in which it was floundering.

The financial situation was undoubtedly saved at the most critical moment, early in August, by the knowledge that currency could be obtained, practically for any amount desired, under the provisions of the Aldrich-Vreeland Act of 1908, passed under the stress of the panic of the previous year. The provisions of this Act would have expired on June 30, 1914, if provision had not been made in the new Federal Reserve Act for its extension for another year. The rate of taxation levied by this Act upon emergency issues was so high that it was thought prudent to further amend it, so as to reduce the tax on circulation during the initial three months after its issue to the rate of 3 per cent. per annum. An Act making this change, and liberalising in several other particulars the Law of 1908, was promptly passed through both Houses of Congress, and approved by the President on August 4. As currency had already been printed to some extent to meet the requirements of the Act of 1908, New York banks were in possession within a week of \$46,514,980 in the new notes, and other considerable amounts were issued from time to time as called for. The fact that such a reserve power existed for obtaining currency operated in much the same way as the suspension of the Bank Act in England, in preventing apprehension on the score of the currency supply. The action of the New York banks in arranging for the exchange of Clearing-house certificates in settlement of balances among themselves was a precaution for husbanding their gold which was made necessary by the concentration of the foreign pressure upon New York.

The weakness of the American currency system in employing great masses of gold in circulation through the form of warehouse certificates, without making it available as a basis of credit, has been corrected in some degree under the operation of the Aldrich-Vreeland Law. The banks were quick to grasp the point that, in so far as they could pay out the new bank-notes, which are the same in form as other notes issued under the National Banking Act, they would be able to husband their gold certificates and even, if they desired, turn them into gold by presentment to the sub-Treasury. The result has been that the money one now finds in his pocket, especially of all the lower denominations, consists of bank-notes or the old legal-tender notes and silver certificates, while the gold certificates continue to pile up in the vaults of the banks. The certificates are then made available as a basis for the extension of credit, instead of being paid out as currency, to the detriment of reserve holdings.

Fear has arisen in some quarters that the free issue of emergency notes would lead to unwarranted inflation. The amount thus far issued, however, has been only a trifle in excess of \$200,000,000, which does not exceed the combined loss of gold through export and the normal increase in circulation called for in the autumn for the movement of the crops. Propositions of an unusual character are naturally being brought forward in Congress, but it is not apparent that they will find sufficient favour to be put into law. The Federal Reserve Board, which was finally able to organise about the middle of August, have decided that warrants for cotton on deposit in warehouse may be discounted by Federal reserve

banks when presented by member banks, but they have refused to accept the more dangerous proposition of valorising cotton at a fixed price. Reasons for believing that the banks will proceed cautiously in currency inflation through the new note system are the fact that its provisions expire on June 30 next, and that the tax on the notes begins to mount upward from 3 per cent., after they have been in circulation three months, by an additional rate of one-half of 1 per cent. per annum for each month until a rate of 6 per cent. is reached. It is reasonable to suppose that the banks will begin to withdraw circulation if it becomes redundant when three months have passed after the date of its issue. It is also to be expected that they will look ahead to the date of the expiration of the Act, when they would naturally be required to deposit lawful money or notes for cancellation to the full amount of the extra circulation issued, or in any event to continue the payment of the tax of 6 per cent. In the meantime, the Federal reserve banks will be organised and will probably arrange to take over many of the obligations which now fall upon the National banking system in its form of 7,500 isolated units. A Bill is now pending giving discretion to the Federal Reserve Board to postpone some of the calls upon the National Banks for the capital of the Federal reserve banks, if prompt payment promises to cause undue pressure in the Money market. The suggestion is also finding favour in banking circles that the country banks, which pay in their subscriptions to capital and reserves to constitute the new reserve banks, shall take the payments from the cash in their vaults instead of intensifying the pressure upon New York, Chicago, and St. Louis, by drawing upon their reserve deposits in those cities. This will not be difficult for the country banks, because their legal reserves are reduced by the new law from 15 per cent. to 12 per cent. of their deposits, and this difference will probably equal or exceed in most cases the amount required for payments into the Federal reserve banks.

The most serious problem which confronts American finance—apart from the restoration of foreign exchange, which now seems in process of adjustment—is that of the reopening of the New York Stock Exchange. The essential difficulty, which would not end even with an early declaration of peace in Europe, is the avalanche of foreign selling orders with which the exchange would be called upon to deal in case of complete reopening. Even if the estimate of Sir George Paish—that \$6,000,000,000 of foreign money is invested in the United States—required to be modified by consideration of the amounts which do not appear in the form of Stock market securities, and by the amounts which will not be surrendered by European holders in any case, the amount left to be dealt with is still sufficiently formidable to cause much anxiety. There is no means of calculating accurately how large a proportion of this mass of indebtedness to Europe might be thrown upon the New York market if it were opened. It is feared, however, that if the war should be prolonged for another six months, involving a cost of perhaps £2,000,000,000, there would be the same patriotic impulse in the principal European countries to throw over foreign securities and subscribe for the national loans which was witnessed in France after the war of 1870. If so large a sum as even £200,000,000 should come back upon the American market, it would represent nearly two-thirds of the annual saving for investment in the United States, and would be exceedingly difficult to deal with.

It is possible that pools could be formed to handle this amount, or a slightly lesser amount, if time were given for perfecting the arrangements. The Federal reserve banks are prohibited, as the law now stands, from aiding in the carrying of securities, except United States bonds and certain other classes of issues by local government bodies. It is possible that the

law will be amended in order to permit the Federal reserve banks to help in carrying the load of foreign selling, simply as an emergency measure, but nothing definite on this point has yet developed. In the meantime, it is becoming more and more obvious to New York bankers and brokers who understand the subject that some obstacles must be thrown in the way of promiscuous selling when the Stock Exchange is reopened. Otherwise the load of securities returned would be too heavy for the stomach of American finance, and the reaction of panic prices would be felt, not only among speculators, but in the banks which have made loans on what was supposed to be an ample and sufficient margin, and even on insurance companies and savings banks, which carry great amounts of bonds in their assets. The panic movement which preceded the closing of the New York Stock Exchange on the morning of July 31 did not reach first-class bonds to the same extent as stocks, but it is believed in many quarters that if foreign selling is resumed on a large scale, it will carry down quotations for bonds even faster than those for stocks, because it will appear at first to the foreign holder as though the bond was a better subject of realisation than company shares. Much serious thought is being given to the entire subject by the governing board of the Stock Exchange, and it is probable that a plan will be devised by which the market will be limited to certain securities or subjected to other restrictions when the Exchange is reopened. The governing board is between two fires—the keen desire of the average broker to resume business, which has been brought to a practically complete standstill under present conditions, and the realisation that the big banks and the Federal Reserve Board will not consent to a reopening, which promises a devastating panic, reaching to the assets of the insurance companies and to the savings banks, which guard the savings of the poor. It is generally felt among the bankers that whatever step is taken towards reopening the Exchange can be taken only after a general agreement as to the policy which is to be pursued in regard to foreign holdings of American securities, including, perhaps, the formation of international pools and syndicates to break the force of foreign selling and provide for such gradual liquidation as will protect the foreign holder as well as the American market.

[Our correspondent has underestimated the savings of the American nation. According to the available data these are about £1,400,000,000 a year, of which upwards of £600,000,000 a year is available for investment in securities. The American people could easily take payment in securities for a part of the enormous quantity of food and cotton they have for sale this year. If they do not take payment in securities to some extent, the world's demand for American productions will be still smaller and prices of American commodities will be still lower than otherwise they would be. The American people have now the opportunity of buying back considerable quantities of securities at very low prices, and paying for them in commodities of which they possess a superabundance.—Ed. "STATIST."]

CHILIAN RAILWAYS AND THE WAR. THE ANTOFAGASTA RAILWAY.

THE dislocation of trade as a result of the European crisis is already being felt somewhat acutely throughout South America, and nowhere more so than in Chili, where the export trade with the Continent has been almost entirely suspended since the outbreak of hostilities. Of the total exports of the country something like 60 per cent. consists of nitrate of soda, and having regard to the fact that Germany is the

chief consumer, with Belgium, France, and Holland moderate but important users of the fertiliser, the adverse effect of the war upon the nitrate industry and upon Chilean trade generally has been instantaneous and far-reaching. In the past month, for instance, only 25,000 tons of nitrate were despatched to Europe, as against 136,000 tons in August 1913. The production of the fertiliser last year was very large, amounting, for the twelvemonth ended with June, to no less than 62,200,000 quintals, against 59,400,000 quintals for the preceding year. In consequence of these heavy supplies values have declined, and in the ordinary course of events the profits of nitrate companies would have shown diminution despite an increase in the demand. As it is, however, the position of producers is a parlous one. A large number of oficinas have been compelled to close down, and numerous labourers are out of work and seeking employment elsewhere. There is, of course, a tremendous quantity of nitrate ready for export, and a large amount is either actually loaded in German boats or is in the process of "loading," but, for fear of capture, these vessels are confined to the various ports, unable to move. The situation is therefore a trying one for Chili, and although the situation is being faced with philosophic calm and resignation, nevertheless it is clear that the economic dislocation caused by the war will for a time seriously check the progress and development of the country.

Among the chief sufferers will undoubtedly be the railway companies. The amount of British capital invested in Chilean Railway enterprises is, it is true, relatively small. Nevertheless the development of the country in recent years has been due in no small degree to the enterprise of the British investor in supplying the money needed for railway construction in the Republic. The three principal British-owned lines are the Antofagasta, the Nitrate Railways, and the Taltal, which together occupy a territory covering something like 1,370 miles. Of these three companies the Antofagasta is far and away the most important. The system is 819 miles in length, and its total issued capital amounts to well over £10,000,000. It has always enjoyed a high degree of prosperity, and although the carriage of nitrate forms one of its chief sources of income, the sound financial position it has built up in recent years, and its immense strength at the present time, should enable it to come through the existing trying period with comparative ease. No one can of course foretell how long the European war will last; but the end must come sooner or later, and although the check to the Company's prosperity may be severe whether the conflict is short or prolonged, the fact remains that never in its history has the Company been in a better position to meet the reverse than it is at the moment.

Last year the profits of the Company amounted to £709,000, and after paying the full dividend on the Five per Cent. Cumulative Preference stock and 5 per cent. on the Preferred Ordinary there was a balance of no less than £509,000 available for the Deferred or for other purposes. This is equal to a dividend of about 24½ per cent. on the stock, so that a very large diminution in profit could be experienced before stockholders would be minus a distribution. It is true that the whole of the surplus beyond 5 per cent. on the Preferred Ordinary is not divisible among the Deferred stockholders, nevertheless the strength of the position lies in the fact that such a sum was earned, and that a loss equal to over 70 per cent. of last year's profits could be sustained before the passing of the dividend on the Deferred would become inevitable. It may be explained that the Deferred stock is entitled to a dividend up to 10 per cent., and that thereafter it shares equally with the Preferred Ordinary in any further distribution of profits. Last year the dividend

on the Deferred was raised from 8½ per cent. to 11 per cent., which automatically gave an additional 1 per cent. to the Preferred Ordinary. The surplus in excess of these higher distributions was £269,000, practically the whole of which was transferred to the reserve and insurance funds. The excellent position of the Company as at December 31 last will be seen from the income statement appended:—

Combined Undertaking				
	1913	1912	1911	1910
	£	£	£	£
Gross earnings	1,917,000	1,751,000	1,588,000	1,399,000
Expenses	1,075,000	977,000	837,000	692,000
Ratio	(56.07)	(55.79)	(52.70)	(49.43)
Net earnings	842,000	774,000	751,000	707,000
Miscellaneous	82,000	89,000	59,000	2,000
Total income	924,000	863,000	810,000	710,000
Interest on 4 % Deb. stock	40,000	40,000	40,000	40,000
Interest on 4½ % Deb. stock	45,000	45,000	45,000	45,000
Interest on 5 % Deb. stock	75,000	75,000	75,000	75,000
5 % (Bolivia) Deb. stock	30,000	30,000	30,000	15,000
Miscellaneous	25,000	30,000	24,000	18,000
Total charges	215,000	220,000	214,000	193,000
Net profit	709,000	643,000	596,000	517,000
Div. on 5 % Cum. Preference stock	100,000	100,000	100,000	89,000
Balance	609,000	543,000	496,000	428,000
Dividend on Preferred Ordinary	120,000	98,000	91,000	82,500
Rate per cent.	(6%)	(5%)	(5%)	(5%)
Balance	489,000	445,000	405,000	345,500
Dividend on Deferred stock	220,000	170,000	160,000	123,700
Rate per cent.	(11%)	(8½%)	(8%)	(7½%)
Surplus	269,000	275,000	245,000	221,800
Amounts written off	—	—	—	40,000
Renewals and insurance funds	7,000	68,000	37,000	27,000
Transfer to reserve account	250,000	20,000	200,000	150,000
Total reserved, &c.	257,000	268,000	237,000	217,000
Balance	Cr. 12,000	Cr. 7,000	Cr. 8,000	Cr. 4,800
Brought forward	49,000	42,000	34,000	29,700
Carried forward	61,000	49,000	42,000	34,500

Really the position is better than it appears from the foregoing statement. For many years the policy of the management has been to earmark a portion of the gross receipts for betterment purposes, or what are termed special renewals. Last year the sum so allocated amounted to £185,200, representing a proportion to the gross receipts of no less than 9.66 per cent. In the last five years the average charge has been about £130,000 per annum, a sum equal to well over 8½ per cent. of the average gross receipts. Here are the figures:—

Special Renewal Charges.					
	1913	1912	1911	1910	1909
	£	£	£	£	£
Permanent way, works, &c.	128,000	126,000	75,000	75,000	18,000
Locomotives	16,667	16,667	16,667	10,000	6,000
Carriages	3,333	3,333	3,333	2,000	1,200
Waggons	30,000	30,000	30,000	18,000	10,800
Mules	9,200	9,200	9,200	8,000	—
Total	185,200	185,200	134,200	113,000	36,000
% of gross receipts	9.66	10.58	8.46	8.07	3.04

Whilst it is a *sine qua non* of good management to prepare in times of prosperity for the prospective requirements of a railway, its necessity in less profitable periods is not paramount; and, consequently, to ascertain the real strength of the undertaking as a dividend-earning enterprise the special renewal charges must be regarded as profit. Therefore, including betterments, last year's profits were equal to a dividend of no less than 34½ per cent. on the Deferred stock, or, expressed in the terms of the agreed division of profits as between the Preferred and Deferred stocks, they were equal to 10 per cent. on the Deferred, and to a further distribution of 12½ per cent. on both the Preferred Ordinary and Deferred stocks. In other words, had last year's profits, including betterments, been divided up to the hilt, the Preferred Ordinary stock would have received a dividend of 17½ per cent., and the Deferred

Ordinary a distribution of 22½ per cent. The calculation is appended:—

Profit 1913 after paying fixed charges & Preference dividends ...	£ 609,000
Special renewals charged to expenses ...	185,000
Total profit ...	794,000
5% on Preferred Ordinary ...	100,000
Balance ...	694,000
10% on Deferred Ordinary stock calls for ...	200,000
Balance ...	494,000
Equal to an additional 12½% on both the Preferred and Deferred Ordinary stocks requiring ...	500,000

The last balance sheet of the Company showed a credit of no less than £700,319 to renewal account, so that if nothing were set aside in the next two or three years the position would still be very strong. The reserve fund, moreover, amounts to a million sterling, and a further £80,649 represents fire and marine insurance funds.

Another factor of importance in regard to the immediate future is the ability of the Company to effect economies in working. The upkeep and improvement of the property has always been well attended to, and whilst the cost of conducting transportation has steadily risen in recent years owing to the advance in the price of coal, labour, &c., the main cause of the existing relatively high ratio of expenses to receipts is traceable to the liberality with which money has been devoted to maintenance. For the purpose of showing the relative economy with which the traffic is now conducted as compared with a few years ago, notwithstanding the dearness of coal, labour, &c., and the large sums which are being devoted to maintenance and improvements, we give the following comparative statement of the working expenses of the railway portion of the undertaking for several years past:—

Railway Working Expenses.

	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£
Maintenance of way ...	218,982	218,387	164,047	162,450	106,956	114,608
" locomotives...	104,303	95,090	87,730	72,005	53,413	50,620
" carriages and waggons ...	81,226	71,720	65,368	37,874	32,788	22,621
Total maintenance ...	404,511	385,197	317,145	272,329	193,157	187,849
Running expenses ...	312,300	261,241	230,235	163,030	146,870	187,581
Traffic expenses ...	123,636	112,575	95,196	84,869	83,437	108,170
Total transportation ...	435,936	373,816	325,431	247,839	230,307	295,751
General charges ...	109,178	101,893	90,383	83,127	84,138	91,609
Mole expenses ...	89,755	84,584	75,966	64,602	40,797	84,647
Total expenditure ...	1,039,380	945,490	808,925	667,957	548,399	659,856

Ratios of Expenses to Gross Earnings.

	1913	1912	1911	1910	1909	1908
	%	%	%	%	%	%
Maintenance of way ...	12.09	13.13	10.81	12.19	9.53	10.08
" locomotives...	5.76	5.72	5.78	5.40	4.76	4.45
" carriages and waggons ...	4.48	4.31	4.31	2.84	2.92	1.99
Total maintenance ...	22.33	23.16	20.90	20.43	17.21	16.52
Running expenses ...	17.24	15.70	15.18	12.24	13.09	16.49
Traffic expenses ...	6.82	6.77	6.28	6.37	7.43	9.51
Total transportation ...	24.06	22.47	21.46	18.61	20.52	26.00
General charges ...	8.03	6.12	5.96	6.24	7.50	8.05
Mole expenses ...	4.95	5.08	5.01	4.85	3.64	7.44
Total expenditure ...	57.37	56.83	53.33	50.13	48.87	58.01

With the present falling off in traffic (and the decline in receipts to date this year amounts to nearly £100,000) a marked saving in expenditure will doubtless be possible. Fewer trains will be needed, less coal will be consumed, and the cost of labour owing to the disorganised condition of trade will be greatly reduced. For all these reasons, therefore, we anticipate that, despite the gloomy outlook and the dislocation of business as a result of the European war, the Antofagasta will be able to maintain a fairly high level of prosperity, and that even if the conflict is prolonged substantial dividends may continue to be forthcoming on the Deferred stock. We would therefore advise stockholders not to throw away their

securities at prices far below their intrinsic value, but to retain their holdings in the hope of better times. Sooner or later things will mend; meanwhile the Company is strong enough to successfully withstand a heavy set-back. The price of the Deferred stock on July 30 was 147½, whereas at one time this year the quotation was 174.

The capital of the Company is as follows:—

Description	Amount	Interest	Price July 30	Yield
	£	%	£	£ s. d.
4% Perp. Deb. stock ...	1,000,000	4	93	4 6 9
4½% Debenture stock, Red. ...	1,000,000	4½	102	4 9 7
5% Debenture stock, Red. ...	1,500,000	5	109½	4 12 10
5% (Bolivia) Deb. stock, Red. ...	600,000	5	106½	4 15 6
5% Cum. Pref. stock ...	2,000,000	5	104	4 17 11
Preferred Ordinary stock ...	2,000,000	6	104½	5 15 8
Deferred Ordinary stock ...	2,000,000	11	147½	7 12 9
Total ...	10,100,000			

THE CHEMICAL INDUSTRY.—III.

UNITED ALKALI COMPANY.

At the end of July it was announced by this Company that it was inadvisable to declare the usual interim Preference-share dividend. It was pointed out that the result of the operations for the first six months of the Company's financial year had been by no means unsatisfactory, the Preference dividend for the half-year having been "practically earned." The directors, however, considered it advisable to defer the consideration of any distribution of revenue by way of dividend upon the Preference shares until the end of the year, in view "of the grave and perplexing financial outlook, together with the considerable expenditure occasioned by important alterations and improvements to plant." The United Alkali Company is a very large and important chemical-manufacturing concern, as may be gathered from the fact that at the end of 1912 the total share and loan capital in issue was as much as £8,603,670. Since that time, however, a reduction of the capital has taken place, and £8 per share has been written off each of the £10 Ordinary shares, the £2 share remaining being subdivided into two shares of £1 each.

The result may be seen graphically from the following:—

Issued Share and Loan Capital.

Dec. 31, 1912			Dec. 31, 1913		
Amount	Denomination	Description	Denomination	Amount	
£ 2,785,000	100	5% Mtg. Deb. stock ...	100	£ 2,770,000	
2,825,240	10	7% Cum. Pref. shares ...	10	2,825,240	
2,993,430	10	Ordinary shares...	1	598,686	
8,603,670				6,193,926	

The over-capitalisation with which the Company was floated has proved a dead-weight ever since. The capitalisation was fixed on the understanding that a monopoly of the chemical trade of the country would be secured. Such was not the case, and, with increasing competition, very unsatisfactory results have been secured, and for the 23 years that the combination has been in existence the total amount of dividend distributed on the Ordinary share capital is only 29 per cent. For 1913 a gross profit of £416,548 was secured, as compared with £457,188 for 1912. It is true that the Company participated in the general prosperity of trade so far as tonnage of its products delivered to consumption is concerned, but though it was thus able to increase the volume of the business the profits were seriously affected, not only by the high prices of raw materials generally, and of fuel in particular—the latter abnormally so—but also by increased severity in the competition both at home and abroad in the production of heavy chemicals. Some such result might have been anticipated by the

shareholders from the speech of the Chairman at an extraordinary meeting held in July 1913, when it was decided to write down the capital of the Company. At the meeting the Chairman went fully into the causes which necessitated the reduction. First of all, hostile tariffs have made a very large impression on the profits of the Company. For many years previous to its formation alkali products of the United Kingdom had access into almost every market of the world at prices which gave the manufacturers remarkable profits; but since 1893 the effect has been severely felt, more especially as the two countries with which trade was the largest have put on exceptionally large tariffs, these being the United States and Russia. For example, the duty levied upon bleaching powder by Russia is £7 11s. 8d. per ton on a product which sells in this country at about £5 per ton. Similarly, the duty levied by Russia upon caustic soda is £8 15s. per ton on a product selling at between £8 and £9 per ton. In the United States similar conditions exist, and not only have manufacturers been able to supply their own country, but they have had a surplus for export which the Company has had to compete with in other countries. An equally potent factor in the situation is the competition due to the advance of science. Not only have new processes been invented for the production of alkali, to the extent the Company claims it can well meet, but science has also come to the aid of the consumer of its products. In many cases he has been enabled by recovery processes to reduce his consumption of chlorine and soda. Consequently, not only is the production increased, but the demands of the consumer have been diminished. The net result is that, though much of the plant of the United Alkali Company has been reconstructed and modernised, an appreciable proportion of its original works have either been demolished or rendered idle. Then, as a final blow, there has occurred the very large increased cost of raw materials, and especially coal. On the other hand, endeavours have been made to meet the situation by opening new markets and taking up the manufacture of new products; yet, as the Chairman pointed out, "it must be patent that the earning power of the Company has been greatly curtailed." Such are the general conditions affecting the heavy-chemical trade in this country, and, hearing this state of affairs in mind, a substantial reduction in profits during 1913 is amply accounted for.

A comparison of the manner of dividing the profits of the past three years is given below:—

	1913	1912	1911
	£	£	£
Gross profit	418,548	457,188	532,511
<i>Less—</i>	<i>£</i>	<i>£</i>	<i>£</i>
Directors' fees	4,370	4,000	3,773
Income tax	30,249	31,936	29,910
Bad debts	803	494	993
Management, &c.	57,105	53,462	43,988
	92,527	89,892	78,664
	324,021	367,296	453,847
Deb. redemption account	15,000	15,000	15,000
Depreciation	—	50,000	50,000
Debenture interest (5 %)	130,417	131,124	131,877
Preference dividend (7%)	186,230	186,230	186,230
	-7,626	-15,058	70,740
Ordinary dividend (2%)	—	Nil	56,376
	-7,626	-15,058	14,364
Reserve	—	Nil	25,000
	-7,626	-15,058	-10,636
Brought forward	32,975	48,033	58,669
Carried forward	25,349	32,976	48,033

In the circumstances it is hardly to be expected that the Company will do more than provide for its Preference dividend. This has always been the case, even in such a bad year as 1908, when the profit after meeting Debenture interest was only £163,498.

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Insurance Notes.

YORKSHIRE INSURANCE COMPANY, LIMITED.

On its own account this old-established Company had shown a rapid development in its direct business during recent years, whilst it has acquired or absorbed several other insurance undertakings. Both movements were continued during 1913, and seem still to be in progress. The contemplated acquisition of an important life office, which had been provisionally agreed upon last year between the respective boards, failed to eventuate, but several absorptions were completed, leading to an enlargement of the Company's marine and accident departments. Thus the following explanatory statements are made in the annual report for the year ending December 31 last: "During the year the business and shares of the London and Provincial Marine and General Insurance Company, Limited—established in 1860—were acquired, and its transactions and funds are included in the accounts now presented. A similar fusion of interests was made by the acquisition of the Scottish Boiler Insurance and Engine Inspection Company, Limited—established in 1881—whose headquarters are in Glasgow, with branches throughout the kingdom. The Company also acquired certain portions of the home direct business of the Premier Insurance Company, Limited—head office, London. The purchase price for these businesses was met by an issue of partly paid shares and cash in exchange for the shares of the London and Provincial and Scottish Boiler Companies. By these acquisitions a very considerable increase of income and also a large body of shareholders have been secured, along with many good agents and connections, to whom the Yorkshire's wider field of business will appeal. The directors are confident these accessions will in every way be beneficial to the Company's interests."

Under these circumstances, and as the business relating to the companies acquired during 1913 is not differentiated in the departmental revenue accounts, it is in some cases impossible to compare the figures presented in the report for 1913 for any useful or informing purpose with those of the previous year, but there is no reason to question the hopeful view which the directors express as to the results which may be expected from the developments referred to.

The life and fire departments do not seem to have been affected by these absorptions, except in so far as an extension of the connections may have influenced

business, and the operations in these sections may therefore be first referred to.

The new life business in 1913 amounted to £676,459 in sums assured, of which £30,789 was reinsured with other companies, the net new assurances being therefore £645,670 (as compared with £642,676 in 1912), of which £610,452 related to business within the United Kingdom. The total net life premium income was increased by £7,042 to £195,571, whilst a sum of £78,465 was received as consideration for new annuities granted. After allowance for cost of the annuity business, expenses of all kinds seem to have absorbed about 13 per cent. of the premium income, this proportion being well within the actuarial margin. Claims by death amounted to £74,027, and claims by survivorship to £18,911. The life assurance and annuity funds were increased through the year's operations by £175,986 to £2,448,384, and the net interest yield, after deduction of income tax, seems to have been about £4 3s. 9d. per cent., as compared with the valuation assumption of 3 per cent. A quinquennial valuation falls to be made at the close of the present year. At the last valuation, as at December 31, 1909, bonuses to participating policies ranged from about 25s. to about 41s. per cent. per annum in reversionary form over the quinquennium, additional bonuses of from 2s. to 4s. per cent. per annum being granted in the abstainers' section.

The fire insurance account for last year shows a premium income, increased during the year by £47,125, of £448,288, and the trading profit, apart from interest earnings of £7,718, seems to have amounted to £51,023, representing about 11.6 per cent. of the premiums.

The main figures in the other departmental accounts for 1913 are as follows:—

Department	Premium Income	Fund at end of Year, exclusive of Reserves for Outstanding Claims
Sinking fund and capital redemption	8,830	46,433
Accident	13,874	9,874
Employers' liability within United Kingdom	103,426	60,333
Marine	361,817	320,014
General	297,138	134,093

The general insurance account relates to burglary, live stock, motor-car, fidelity, third party, plate glass, boiler, and other descriptions.

The issued capital was increased during 1913 by 41,591 shares of £5 each with 10s. paid, in connection with absorptions of other companies, and on December 31, 1913, was represented by 20,000 fully-paid shares of £1 and 152,905 shares of £5 with 10s. paid, the subscribed amount thus being £784,525, with £96,452 10s. paid, as compared with £576,570, with £75,657 paid, at the close of 1912. The dividend on the increased capital is declared at the former rate of 50 per cent. on the amounts paid up, free of income tax, giving 5s. per share on the partly-paid shares and 10s. per share on the fully-paid shares. Thus, apart from provision for income tax, the sum of £48,226 is required for the distribution in 1914.

It is a favourable feature as regards the accounts for 1913 that the interest earnings on the funds, other than the life and capital redemption funds, less expenses not departmentally charged, amounted to £43,671, and this sum added to £3,000, representing the proportion of the last quinquennial life profits, produced a total only short by £1,555 of the whole amount required for the dividend distribution on the increased capital. Thus the dividend is fairly secure of maintenance, apart from such divisible trading profits as may reasonably be anticipated from the working of the fire, accident, and marine departments.

After provision for dividend payable in 1914 and deduction of capital, life and sinking funds, reserves for outstanding claims, investment reserve (£35,000), and pension and guarantee fund (£11,221), the re-

serves carried forward to 1914 appear to be as follows:—

Fire fund	179,316
Accident fund	9,874
Employers' liability fund	60,333
General fund	134,093
Marine fund	320,014
General reserve	470,123
Dividend reserve... ..	20,000
Balance of profit and loss account	20,196
	1,213,949

This is very nearly equivalent to the amount of the premium income in 1913—viz. £1,224,543—in the fire, marine, accident, employers' liability, and general departments.

Since the accounts were completed the Company has entered into an agreement with the directors of the Guarantee Society, Limited, established in 1840, for the purchase of that Company's shares by an exchange of Yorkshire shares and cash; and the figures relating to this absorption will appear in the accounts for 1914. The Guarantee Society is rightly described in the Yorkshire Company's annual report as one of the most successful insurance companies operating specially in fidelity insurance, and as possessing an old and well-established connection throughout the country, which should prove of great value to the Yorkshire. The Guarantee Society's premium income in the financial year ended June 30, 1913, amounted to £41,043.

The Yorkshire Company's balance sheet as at December 31, 1913, showed assets amounting to £4,247,435. The Stock Exchange securities were taken at that date at the mean market prices at date of the last quinquennial life valuation, December 31, 1909, in respect of investments upon the books at that time, subsequent investments being taken at cost price, except that in both cases terminable or wasting securities had been written down by annual instalments.

The next annual report should possess a special interest for the Company's shareholders, seeing that it will include the quinquennial life valuation statement, and also that it will indicate more clearly than the report for 1913 could possibly do the practical results of the various absorptions which have recently taken place. The Company now stands fully equipped as a competitor for almost every class of insurance business, and its operations extend to many foreign countries and British colonies.

STEEL COMPANY OF SCOTLAND.

THE twelve months to July 1913 were a very prosperous time for this Scottish steel-making Company, every department in the works having been fully employed. Moreover, the Company was entirely free from labour troubles. Consequently, tonnage output and invoiced values far exceeded anything in the history of the Company. On an average the prices for the products realised 11s. 10d. per ton more than in the previous twelve months, but the whole of this increase was absorbed in higher costs, such as wages, coal, pig iron, iron, and general stores. Naturally as wages are fixed by a conciliation board advances occurred step by step with the increased prices for the output, and the additional cost incurred in wages was easy to calculate and provide for, but fluctuations in the price of pig iron were very rapid and frequent. Consequently, it is quite understandable that the profit was slightly less than that shown for the twelve months to July 1912, amounting to £122,897, as compared with £122,927, and as sundry expenditure and Debenture interest were both higher, the amount available for distribution was £4,400 less at £78,475. The dividend was maintained at 10 per cent., and after allocating larger sums to reserve, &c., a slight increase took place in the carry-forward. During the twelve months to July 1914 a different state of things has prevailed, and there has been experienced a serious

falling off in the demand for steel. Moreover, the Company has been adversely affected by a partial stoppage of one of the works during the last six weeks of the year on account of a labour dispute. The result is that the output of finished material has been less than that of the previous year. Probably some benefit has been experienced by lower costs both in the matter of wages and also in that of raw materials. The result is that the profit has fallen from £122,897 to £74,550, and the dividend has been reduced from 10 per cent. to 5 per cent. Not only so, but whereas last year £30,000 was carried to the reserve fund, it has only been possible to make an allocation of £10,000 for this purpose.

In the following table we set out in skeleton form the results secured by the Company during the past 21 years:—

Year ended Mid-July	Manfg. Profit £	Div. %	Carried Forward £	Year ended Mid-July	Manfg. Profit £	Div. %	Carried Forward £
1894 ...	5,339	Nil	-23,431*	1905 ...	91,713	5	4,265
1895 ...	36,964	Nil	-18,900*	1906 ...	123,492	7½	8,699
1896 ...	72,467	Nil	5,822	1907 ...	117,745	7½	7,156
1897 ...	81,283	3	4,056	1908 ...	106,584	7½	1,854
1898 ...	91,488	5	3,310	1909 ...	107,411	7½	8,818
1899 ...	109,962	8	2,129	1910 ...	100,261	6	7,738
1900 ...	78,278	5	3,143	1911 ...	102,626	8	8,277
1901 ...	55,230	1½	2,724	1912 ...	122,927	10	19,042
1902 ...	66,625	2½	1,888	1913 ...	122,897	10	20,434
1903 ...	67,344	2	2,517	1914 ...	74,550	5	21,641
1904 ...	68,692	2½	2,443				

* Debit.

During the past year there has been expended on reconstruction of and additions to the plant a sum of £20,976, which compares with £31,661 for the previous year. Consequently, the dropping of £48,000 in the profit has been offset to the extent of £3,600 in smaller expenditure. During the year the trustees for the Debenture stockholders redeemed, by drawings carried out in accordance with the provisions of the trust deed, £5,400 of the "A" First Mortgage Debenture stock, and the total amount of this stock now retired is £75,000. In consequence of this a reduction has taken place in the sum required for Debenture interest, which has called for £9,761, as compared with £10,134. After providing for this there remains a sum of £34,120 available for distribution, of which the 5 per cent. dividend has absorbed £23,513. After the allocation to reserve there is a balance of £607, which is added to the carry-forward, bringing it up to £21,641.

A comparison of the manner of distributing the profits for the last five years is given herewith:—

Year ended July—1914		1913	1912	1911	1910
	£	£	£	£	£
Profit ...	74,550	122,897	122,927	103,562	101,351
Sundry expenditure ...	30,669	34,288	30,362	49,058	56,297
	43,881	88,609	92,065	54,504	45,054
Debenture interest (5 and 6 %) ...	9,761	10,134	9,217	12,200	12,373
	34,120	78,475	82,848	42,304	32,681
Dividend ...	23,513	47,083	47,083	29,783	26,763
	(5 %)	(10 %)	(10 %)	(6 %)	(8 %)
	10,607	31,392	35,765	12,541	5,918
To reserve fund, &c. ...	10,000	30,000	25,000	12,000	7,000
	607	1,392	10,765	541	-1,082
Brought forward ...	20,434	19,042	8,277	7,736	8,818
Carried forward ...	21,041	20,434	19,042	8,277	7,736

We have in the past detailed the steps that have been taken by the present board with the object of placing the works in the most efficient possible condition, and it is unnecessary to recapitulate them. We may, however, recall the fact that a very considerable change has taken place since 1894. At that time it was on the verge of bankruptcy and practically moribund, but for some considerable time past, as will be noted by the statement of results given above, it has enjoyed a considerable state of prosperity. In 1894 there was a debit balance carry-forward of £23,400, but from 1906 to 1913 inclusive the profits shown were each year in excess of £100,000. Twenty years ago the shares were selling at less than £1 for

the £10 share. At the end of July the price was 7½, while in 1913 the price had been as high as 11½.

The Company, instead of being a derelict concern, has been transformed into one of the most important and prosperous industrial concerns in Scotland. As an integral part of the policy carried out is the re-organisation of the works and the placing of them in a thoroughly modern and efficient condition, naturally the alterations that have been made have called for a considerable sum of money, and hence it is that the distributions of profits in the form of dividends have been on a smaller scale than would have been the case had it not been necessary to provide for these extensions. It may be recalled also that the whole of the money required for the extensions has been provided from revenue, and no increase has been necessary in the capital account.

During the past 20 years there has been expended on improvements, &c., a total of over £500,000, while the Company has also carried to reserve from profits a sum of £271,070. On reference to the balance sheet it will be seen that the reserve fund on July 16 last was only £210,000. The difference between the amount set aside and the sum shown in the balance sheet is due to the fact that, in pursuance of the policy of taking all possible steps to reduce the cost of production, the Company has acquired a colliery property, which it has been developing during the past few years, and a portion of the expenditure in connection therewith has been debited to the reserve fund. Up to the time of the acquisition of the colliery it was necessary for the Company to purchase the whole of its raw materials for steel making, but by securing possession of its own supplies of coal a step in the right direction was taken. A further step has been taken during the past year in the same direction, inasmuch as there have been acquired 50,000 shares of the Appleby Iron Company, Limited, of £1 each, fully paid, and 125,000 shares of £1 each on which the sum of 6d. per share has been paid. These stand in the books at the price paid—namely, £53,125. So far practically no increase has been made in the capital account for the purpose of providing the money necessary for the extensions and improvements; though the statement should be qualified to the extent that four years ago it was deemed desirable, in order to place the Company in possession of further working funds, to call up the unpaid liability of £1 per share which had previously existed, and which had been held in reserve as security for bank overdrafts. But in February last a new issue of Preference shares was authorised, and preliminary steps were taken to provide for the issue, the accounts being debited with a sum of £1,025 disbursed for capital, duty, &c., in connection therewith. In consequence of the present international crisis, however, it has been decided to delay the issue. The authorised amount is £400,000, in Six per Cent. Cumulative Preference shares of £10 each.

In the following table we give a synopsis of the

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liabilities and assets of the Company as on July 16 last:—

LIABILITIES.				£	£
Issued capital, 50,000 shares of £10 each	500,000
"A" 5% 1st Mortgage Debenture stock	...	...	...	75,000	
"B" 6% 2nd Mortgage Debenture stock	...	...	...	100,000	
Total	...	...	...	175,000	
Less Consols held for Debenture stockholders	...	...	...	2,862	
					172,138
Sundry creditors	...	...	...	...	83,564
Reserve fund	...	...	...	...	210,000
Reserve for workmen's compensation	...	...	...	...	15,660
Profit and loss	...	...	...	...	44, 54
					1,025,916
ASSETS.				£	£
Lands, buildings, railways, machinery, fixed plant, dwelling-houses, and collieries	...	...	...	...	579,993
Appleby Iron Company	...	...	...	...	53,125
Loose plant, tools, &c.	...	...	...	...	40,877
Floating stocks	...	...	...	...	160,863
Sundry debtors	...	...	...	...	167,735
Cash and bills receivable	...	...	...	...	23,323
					1,025,916

Altogether we should imagine the outlook at the present time is much more favourable than it was twelve months ago, and the effect of the war should cause a larger demand for steel. Prices have already responded. In June the price of Glasgow steel plates (ship) was £5 17s. 6d. per ton, and boiler £6 12s. 6d. per ton. At the beginning of August prices had risen to £6 17s. 6d. and £7 per ton respectively, while at the beginning of the present month the prices had further advanced to £7 2s. 6d. and £7 10s. respectively. On the other hand, the price of pig iron has also advanced, and naturally wages will go up. On the whole, however, the Company should be in a position to show an improvement when the accounts are made up in twelve months' time, and shareholders should be able to count on an increase in the dividend. And as at the present price of 7½ for the £10 share on the basis of last year's distribution a yield of 7 per cent. is forthcoming, there is room for an advance in price, which will probably occur.

In the following table we set out the latest prices of the Company's securities, the dividends, and yields afforded:—

Amount	Description	Par	Price	Dividend	Yield
£		£	£	%	£ s. d.
75,000	5% 1st Mort. Deb. stock	100	102½	5	4 18 6
100,000	6% Second " "	100	104	6	5 17 1
500,000	Ordinary shares of £10 each	10	7½	5	7 0 4

W. AND T. AVERY, LIMITED.

ACCORDING to the figures given in the accounts, the twelve months to March 31, 1914, have been the most prosperous in the history of this Birmingham industrial Company, the balance of revenue account for the year amounting to £41,897, as compared with £39,162 for the twelve months to March 31, 1913. It may be remarked, however, that the figures given in the balance sheet do not of necessity form an accurate comparison of the actual trade of the Company year by year. About a dozen years ago the directors considered it wise to obtain the approval of the shareholders to a policy of establishing an internal reserve fund, a policy carried out by other Birmingham industrial companies. In this particular instance directors are empowered to place to a reserve before profits are declared a certain sum at their discretion, provided they are able first of all to recommend a dividend of at least 10 per cent. Since the formation of this internal fund the dividend has been steadily maintained at the 10 per cent. rate. Consequently, it seems likely that in an average year the profits that are shown are sufficient to provide for a dividend of 10 per cent., plus an allocation to the shown reserve fund of about £5,000, while any balance actually secured is carried to the internal reserve. Naturally in a year such as that just ended, when trade has been exceptionally active, the shown reserve fund has received a larger allocation, while a substantial amount has probably been placed to the internal

reserve. On the other hand, when trade is in a less active condition and profits are smaller, any addition to the internal reserve will be of a small character; or it may, indeed, happen that the reserve fund is drawn upon to make up profits to a sufficient figure to provide the usual 10 per cent. dividend. On this point, however, it is merely a matter of surmise; and the directors have evidently determined to conduct the business in as secret a manner as possible. While there doubtless are grounds for justifying the formation of an internal reserve fund, in the case of a public company taking money from the public for the purpose of carrying on the business a policy of secrecy is quite indefensible. As an indication of the extent to which the directors of W. and T. Avery, Limited, carry out their policy it may be pointed out that though during the last financial year another business was purchased—namely, that of Henry Pooley and Son—the report of W. and T. Avery makes no mention whatever of the circumstances, and so far as the Avery shareholders are concerned the transaction might not have taken place. The carrying out of the policy of secrecy to extremes in the case of a public company can only finally result in an amendment to company laws which shall make it compulsory on public companies to carry out their transactions in the light of day and make it impossible for directors to keep information from the shareholders to which they are justly entitled. This particular Company publishes no profit and loss account; as already stated there is a secret reserve, while the so-called directors' report is no report at all, but merely sets out the manner in which it is proposed to divide the net profits. We greatly regret that a Company like W. and T. Avery should have adopted such a policy. The Company is one of the highest reputation, and it is all the greater pity, therefore, that such a Company should set so bad an example.

The net trading profits for the past twelve months have amounted to £33,535, as compared with £30,869 for the previous year. After providing for Debenture interest and Preference dividend there is a balance of £23,657, which is more than sufficient to provide for a distribution of 20 per cent. on the Ordinary shares. The dividend is maintained at the usual 10 per cent. rate, and a sum of £11,500 is carried to reserve, while £1,495 is added to the carry-forward, bringing it up to £9,997.

We give below a comparison of the manner of distributing the profits for the past seven years:—

Year ended Mar. 31—	1914	1913	1912	1911	1910	1909	1908
	£	£	£	£	£	£	£
Net trading profits	33,535	30,869	25,300	25,996	25,163	24,679	24,150
Int. on Debentures	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	29,535	26,869	21,300	21,996	21,163	20,679	20,150
Pref. div., 5%	5,878	5,878	5,878	5,878	5,878	5,930	5,820
	23,657	20,991	15,422	16,118	15,285	14,749	14,220
Ord. div. (10%)	10,662	10,662	10,662	10,662	10,662	10,662	10,662
	12,995	10,329	4,760	5,456	4,623	4,087	3,558
To reserve fund	11,500	10,000	5,000	5,000	4,500	4,000	3,596
Balance	1,495	329	-240	456	123	87	-37
Brought forward	8,502	8,173	8,413	7,957	7,834	7,816	7,785
Carried forward	9,997	8,502	8,173	8,413	7,957	7,834	7,748

It may be recalled that the Company was formed in December 1894 to acquire the business of the firm of the same name of weighing-machine manufacturers, engineers, brass founders, &c., the business of James Watt and Company, Soho, Birmingham, and that of Alexander Wood and Sons, of Glasgow. In May 1899 the shareholders of Parnall and Sons, Limited, were offered the option of receiving cash for their shares at par value, or a payment in Preference or Ordinary shares of W. and T. Avery of £6 and £8 per £5 share respectively, Avery's capital being increased from £200,000 to £300,000. The total capital in issue at the present time consists of £100,000 of Four per Cent. Mortgage Debentures, £124,835 of Five per Cent. Cumulative Preference shares, and £106,625 of Ordinary shares.

By writing off goodwill entirely from the accounts—it appeared at £71,595—the Company has eliminated paper assets. It shows a depreciation reserve of £104,425. It has a reserve fund now reaching £70,000, so that when the internal reserve is taken into account there is little doubt that the assets are shown in the books at a figure below their real value. The cash in hand at March 31 last amounted to £27,513. The properties stand in the books at £202,004. A very strong financial position has been built up, and, consequently, the various securities stand at substantial prices. The Four per Cent. Debentures are quoted at 92½, thereby giving a yield of £4 6s. 6d. per cent. The £5 Preference share stands at 5½, giving a yield of nearly 4½ per cent. Both classes of capital are well secured both from capital and interest point of view. The £5 Ordinary share stands at 10½, and, on the basis of a 10 per cent. dividend, the yield afforded is just over 5 per cent. The full effect of the acquisition of the Pooley business will not be felt until the end of the current year. Doubtless it will help in the way of reduction of costs and possibly improvements in manufacture. There is no question of the ability of the Company to maintain the 10 per cent. on its Ordinary shares, assuming a continuance of the present good management. Consequently, the shares form a satisfactory 5 per cent. industrial investment. They certainly would be such provided a policy of secrecy was not indulged in to so great an extent.

Amount £	Description	Par £	Price £	Div. %	Yield £ s. d.
100,000	4% 1st Mort. Debs. ...	100	92½	4	4 6 6
124,835	5% Cum. Pref. ...	5	5½	5	4 11 11
106,625	Ord. shares ...	5	10½	10	5 1 3

New Issues.

NEW YORK CITY.

Messrs. J. P. Morgan and Company and Kuhn, Loeb and Company, of New York, are now offering for public subscription at par and accrued interest part of a total issue of \$100,000,000 of Six per Cent. Revenue Bonds and Corporate Stock Notes intended to replace existing foreign obligations bearing a lower rate of interest and shortly maturing. A strong syndicate of bankers and trust companies of New York City underwrote the entire issue, of which, it is understood, about one-half is being offered to the public, the remainder being retained by the members of the syndicate as an investment. The new notes consist of three series, \$57,000,000 being due September 1, 1915, \$18,000,000 September 1916, and \$25,000,000 September 1916, and are a direct obligation of the City of New York. Interest is payable half-yearly in March and September. The subscription list will close at noon on Tuesday. The underwriting and offer of the notes has been one of the main factors contributing to the improvement in exchange witnessed during the past week.

J. LYONS AND COMPANY.—This Company issues an important notice in respect of arrangements for meeting the calls on an issue of 44,000 Ordinary £1 shares in June last at £5 15s. per share. There is an amount of £4 15s. per share due on October 1, and the notice is in respect of the spreading of this unpaid amount over a period.

“United Kingdom Stock and Sharebrokers’ Directory, 1914-15.”—Though it does not do so in respect of members of the London Stock Exchange, information is given as to telephone numbers and in several cases the telegraphic addresses. (London: Spottiswoode and Company Limited. Price 4s. 6d.)

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- „ 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain—accepted by France and Italy.
- „ 28. Austria-Hungary declares war against Serbia.
- „ 30. Partial mobilisation in Russia.
- „ 31. General mobilisation in Russia.
- Germany declares state of war.
- Italian declaration of neutrality.
- Aug. 1. Germany declares war against Russia, also invades Luxembourg.
- „ 3. German ultimatum to Belgium.
- „ 4. Mobilisation of British Army.
- War declared between Great Britain and Germany.
- British Government undertakes insurance of British shipping during war.
- „ 5. Lord Kitchener appointed Minister of War.
- Germans repulsed at Liège.
- Roumania to remain neutral.
- „ 6. House of Commons vote of credit for 100 millions.
- Army to be increased by half a million of men.
- Recruitment of additional 100,000 men commences.
- Austria-Hungary declares war against Russia.
- Government rate of war insurance reduced to 4 guineas per cent.
- „ 8. German Togoland seized by British.
- „ 10. France declares war on Austria-Hungary.
- Germans enter Liège. Forts intact.
- Montenegro casts in her lot with Serbia.
- „ 11. German Army mainly operating through Belgium.
- „ 12. British Declaration of War against Austria.
- German war vessels *Goeben* and *Breslau* seek refuge in the Dardanelles.
- „ 17. Japanese ultimatum to Germany.
- Greece protests against Turkish movements.
- „ 19. Advance in force of Germans in Belgium and of Russians in East Prussia.
- „ 21. German occupation of Brussels.
- „ 22. Confirmation of Servian successes against Austria.
- „ 23. Japan at war with Germany. Russian successes in East Prussia.
- „ 24. Fall of Namur.
- „ 25. Battle of Charleroi and retirement of Allies.
- „ 27. Further retirement of Allies towards Paris. Continued concentrated German onslaught on British contingent.
- British force landed at Ostend.
- „ 28. Naval engagement off Heligoland.
- „ 30. German check to Russian advance in Prussia.
- Germans said to have withdrawn reserves from Belgium to Russian front.
- Sept. 3. French Government transfers to Bordeaux. German front close to Paris.
- Russian double defeat of Austrians near Lemberg.
- Active recruiting of second 100,000 men.
- „ 4. Mr. Asquith's speech at the Guildhall.
- „ 5. Great Britain, France, and Russia: Convention of joint action when peace terms come to be considered.
- Renewal of unrest in Turkey.
- „ 8. Check to German investment of Paris.
- „ 9. Announcement of 70,000 Indian troops for the front.
- „ 10. King's message to the Empire.
- „ 5 to 12. Germans thrown back from Marne-Verdun line. Belgians also compel German retirement.
- Austrian defeats by Russians and Servians.
- „ 12. Reported Italian operations in Albania.
- „ 14. German Western Armies reform and a fresh series of battles commences along some 90 miles.

See also Chronology in Stock Exchange Section.

BROOMASSIE.—Capital £350,000, in 700,000 10s. shares; issued, 400,359 shares. In issue, £46,041 Six per Cent. Debentures. Milling operations were restarted on March 1, 1911.

Year ends	Tons (2,000 lb.)	Total Yield	Per Ton	Mine & Develop. Expenses	Per Ton	Est. Profit	Per Ton	Price of Shares at end of Period
Sept. 30 1911-12	34,081	119,061	70/1	71,685	42/2	47,504	27/11	4/6
1912-13	36,812	142,031	77/2	79,614	43/3	62,477	33/11	6/3d
1913-14.	...	...	...	...	...	...	...	...
Dec. qr.	6,729	25,840	79/10	20,549	61/2	6,291	18/8	6/0
Mar. *qr.	8,301	29,236	92/9	23,562	74/9	5,674	17/0	5/6
June qr.	9,662	33,950	81/5	28,674	59/11	10,276	21/6	7/5
July ...	4,374	14,392	65/9	8,852	40/8	5,540	25/3	2/3
Aug. ...	4,751	15,717	66/2	8,336	37/2	6,851	29/0	—

* March return affected by heavy coal consumption and repairs to plant.

Monthly profits are subject to deduction of transport charges.

Dividends—1912, Dec., 10 per cent.
1913, Sept., 10 per cent.

A PROFITABLE ASSURANCE.

SPECIAL COMBINATION securing in return for a Limited Number of Premiums a fixed Sum at Death, whenever it may happen, and a

Large Guaranteed Bonus during Lifetime

together with valuable options and additional benefits.

EXAMPLE—Age 25. Sum Assured, £500.
Annual Premium (payable for 20 years only) - £23 16 8

GUARANTEED RESULTS:

- (a) In case of death during the term,
PROFIT varying from £182 to £484.
(b) In case of survival,

ULTIMATE PROFIT of £273, in addition to 20 years' accumulated Bonuses.

GRESHAM LIFE ASSURANCE SOCIETY, LTD.

CHIEF OFFICE: ST. MILDRED'S HOUSE, POULTRY, LONDON, E.C.

Assets Exceed £10,500,000.

LONDON & MIDLAND

Insurance Company, Limited.

ESTABLISHED 1859.

The Oldest Independent Fire
Office in the British Empire.

Head Office: 39/41 NEW BROAD STREET, LONDON, E.C.

PROFITS & INCOME INSURANCE COMPANY, Limited.

9 FLEET STREET, LONDON, E.C.

Assets exceed: £285,000. Capital Paid-up: £40,000.

The Company issues **SICKNESS and ACCIDENT POLICIES** of every description, assuring against temporary or permanent LOSS OF INCOME up to age 65. Special attention is directed to the Company's **permanent contracts, which are continuous and non-terminable**, meeting a demand not provided for by the ordinary Annual Contract Sickness Policies.

Under the NEW "PERFECTED" SICKNESS and ACCIDENT POLICY the payment of Insurance premiums of all kinds, Rent, Income Tax, and other Annual fixed charges, is covered during incapacity from illness or accident.

CHAS. WINDETT, Actuary and Secretary

COMMERCIAL UNION

ASSURANCE COMPANY, LIMITED.

Chief Office - CORNHILL, LONDON.

Total Assets (Including Life Funds)—£24,902,252.

ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £19,618,135

FIRE, LOSS OF PROFITS,
MOTOR CAR, MARINE, LIFE,
ACCIDENT, FIDELITY,
BURGLARY, LIVE STOCK,
ENGINEERING.

HEAD : North John St., LIVERPOOL
OFFICES : 24-28 Lombard Street, LONDON

Commercial.

COPPER.

THE immediate effect of the war upon copper has been the shutting-off of new demand for the metal from all European users, and the necessarily reduced consumption in all directions, so far as the arts of peace are concerned. On the other hand, there has been a sharp stimulus to the consumption of the metal in connection with munitions of war. Germany had been systematically preparing for war, and there is no longer the least doubt that the heavy deliveries of copper in that country, which had puzzled the world's trade for many months, arose from the feverish activity of her armament works. The buying of copper by Germany for war purposes, at a time when outwardly she was at peace with all men, is another straw showing the way in which the wind had been blowing, and exposes once more her attempts to catch her neighbours unawares. To the extent represented by this excessive German buying, therefore, the price of copper had been somewhat artificially stimulated, and with the cessation of all new demands for ordinary

peace requirements the position has undergone an important alteration. With the outbreak of war the exportation of copper in any form from this country was interdicted, though occasional consignments booked for export have since been released upon satisfactory assurances being given. Conditions, however, are far from normal.

The cessation of new buying in Europe, except for munitions, at once involved a general stoppage of mines, and it is doubtful whether the United States, which furnishes some 55 per cent. of the world's output, is to-day producing at more than 50 per cent. of its capacity. Mines and smelters in all parts of the United States, and, indeed, throughout the world, have either curtailed operations or ceased work entirely. It is hopeless to attempt to pierce the gloom far at present, but it is much to be feared that the prosperity of the world's copper industry has been shaken to its foundations for a time. Finance is at present a very real obstacle to the handling of large quantities of the metal. This will no doubt tend to right itself by degrees, but when the war ends we shall be brought face to face with wholesale wreckage and ruin, and this destruction of wealth, of population, and of the means of production must fetter industry of all kinds, no matter what efforts may be made to repair the ravages of the modern Huns. It is, however, too much to hope that the world for a very long time will be in a position to pay for the output of all the copper mines and smelters working, and this under profitable conditions, a couple of months or so ago, and if so there can be nothing for it but an indefinite restriction of production at mines, smelters, and refineries all over the world. We are dealing now, however, with a world-wide war, a condition never before experienced, and conclusions drawn from the last great European conflict, in which relatively small forces were engaged and comparatively small areas were laid waste, may prove deceptive to-day. It is possible, indeed, that entirely new conditions may have to be evolved to meet the state of things to be expected from this wholesale devastation. Failing these, it is impossible to see how there can be anything but a period of depression and financial stringency in store.

The United States stands to be very hard hit in her mining industry, owing to her pre-eminent position. Spain, too, with her Tinto mines, and Australia as well must suffer probably in proportionate degree. There is no news whatever from the German copper mines, but it may be assumed with moderate certainty that they are stopped. The largest producer there is the Mansfeld, which in 1913 gave about 20,000 tons, smaller concerns being responsible for 5,000 tons, these figures are practically stationary compared with 1912.

The statistics below show the respective native production and home consumption in 1913 of the chief European nations now engaged in war:—

		Output Tons	Consumption Tons
Austria-Hungary	...	4,100	39,100
Belgium	...	—	15,000
England	...	300	140,000
France	...	—	103,000
Germany	...	25,000	259,000
Russia	...	38,000	40,000
Total	...	67,400	596,000

It may be assumed that whatever the industrial conditions which follow upon the crushing of German tyranny, the world's copper producers will be able to meet them. Their idle and reserve capacity for production can be got to work gradually, and as needs grow; and it must be remembered that when European peace is restored it is unlikely in the extreme that Germany will be permitted again to force the civilised world into militarism run mad, and under such circumstances it is probable that the consumption of the commercial metals for warlike purposes will be greatly reduced.

COPPER.

	Highest £ s. d.	Lowest £ s. d.	Average Prices				Year £ s. d.
			1st Half £ s. d.	2nd Half £ s. d.	£ s. d.	£ s. d.	
1907 ... Mar.	112 0 0	Dec. 54 10 0	—	—	—	—	87 1 8
1908 ... Dec.	66 5 0	July 56 2 6	59 0 9	61 0 0	60 0 5	—	—
1909 ... Jan.	64 3 9	Mar. 54 10 0	58 14 4	59 0 2	58 17 3	—	—
1910 ... Jan.	62 1 3	July 52 15 0	58 3 3	58 3 1	57 3 2	—	—
1911 ... Dec.	64 0 0	May 53 8 9	55 2 4	57 1 2	56 1 9	—	—
1912 ... June	80 0 0	Jan. 60 17 6	68 17 2	77 5 2	73 1 2	—	—
1913 ... Jan.	77 1 3	June 61 15 0	67 15 0	68 16 6	68 5 9	—	—
1914* ... Feb.	68 16 3	June 59 15 0	63 18 0	—	—	—	—

Final prices of 1913: "spot," £65½; "forward," £65½.
July 30, 1914: "spot," £55½; "forward," £57½.

* To date.

Transactions since the end of July have been, as in respect of Stock Exchange dealings, outside of official recognition. A temporary rally apparently occurred, but there was a fresh reaction to about the quotation of July 30.

To have the statistics as to consumption of five of the countries that are now engaged in war is just now opportune. The figures are interesting from the point of view of the contrast of consumption of copper for 1913 as compared with previous years. We know that Germany, in respect of the metal industry, is one of the most enterprising nations, but it can scarcely be taken as arising from the merely peaceful use of copper that we witness Germany in 1913 using approximately 260,000 tons, as compared with only 128,000 tons in 1905. To what extent has the enormous increase in the consumption of copper been due to war preparations? We condense some particulars as to the total consumption of the respective countries, showing the percentages of 1913 as compared with 1910, 1905, and 1901:—

	1913 Tons	1910 Tons	1905 Tons	1901 Tons
Germany ...	259,300	209,414	127,973	84,840
Austria ...	39,200	33,500	22,700	18,400
United Kingdom ...	140,300	146,000	103,300	105,200
France ...	103,600	85,700	57,800	45,100
Russia ...	40,200	28,600	27,600	19,000

	1913 over 1910	1913 over 1905	1913 over 1901
Germany ...	23.8	102.6	205.8
Austria ...	17.0	73.5	113.0
United Kingdom ...	3.9*	35.8	30.5
France ...	32.5	79.0	129.5
Russia ...	40.5	45.6	111.6

* Decrease.

The detail as to each country is set out below:—

Copper Statistics of Principal European Countries.

(Quantities throughout in Metric Tons)

GERMANY.		1901	1905	1910	1911	1912	1913
Production ...	31,317	31,713	34,926	37,452	39,800	41,100	—
Imports ...	58,620	102,218	181,561	191,590	200,608	—	—
Exports ...	5,097	5,958	7,063	6,914	7,673	—	—
Consumption ...	84,840	127,973	209,414	222,100	232,700	259,300	—

AUSTRIA.		1901	1905	1910	1911	1912	1913
Production ...	1,346	1,439	2,279	2,563	4,026	4,132	—
Imports ...	17,504	22,535	32,217	37,251	45,460	56,451	—
Exports ...	435	1,253	977	1,310	1,332	1,379	—
Consumption ...	18,400	22,700	33,500	38,500	48,200	59,200	—

UNITED KINGDOM.		1901	1905	1910	1911	1912	1913
Production ...	530	720	500	400	300	300	—
Imports ...	148,600	132,900	159,500	167,300	157,800	159,700	—
Exports ...	50,800	35,700	43,200	33,900	28,100	36,200	—
Total Consumption*	105,200	103,300	146,000	169,100	144,600	140,300	—

* Allowing for increase or decrease of stocks.

FRANCE.

Smelting works		1901	1905	1910	1911	1912	1913
output ...	7,000	7,600	12,900	13,200	11,900	11,900	—
Imports ...	41,200	55,500	77,112	84,541	88,833	94,863	—
Exports ...	5,100	6,600	4,501	2,835	3,092	4,402	—
Total Consumption*	45,100	57,800	85,700	96,700	98,500	103,600	—

* Allowing for increase or decrease of stocks.

RUSSIA.

Production		1901	1905	1910	1911	1912	1913
... 6,100	8,900	22,600	25,600	33,500	34,300	—	—
Imports ...	10,900	18,100	6,600	7,800	7,000	6,100	—
Exports ...	—	—	500	600	500	200	—
Consumption ...	19,000	27,600	28,600	32,800	40,000	40,200	—

THE STEEL TRADE.

At the meeting of the Steel Company of Scotland, Limited, held this week and reported fully on another page, the Chairman said that a restricted demand had prevailed in all their markets in every part of the world, and the Company had in addition to face, besides home and American competition, a very fierce and subsidised competition from Germany. As

regards the effect of the war, the Chairman pointed out that the wants of the world cannot be permanently suspended. They must sooner or later, and somehow, be satisfied, and if there is no invasion of these shores—a very unlikely contingency—then the United Kingdom will be the only country in Europe, probably for a long time, which is able to satisfy the wants of the world in respect of the products which the Company manufactures. Speaking of the immediate future, the Chairman added that the imports of iron ore and most other necessities for the carrying on of the works, which are obtained from abroad, continue to arrive. Higher prices are obtainable for the Company's products, but the price of pig iron has jumped up, and new business in bulk is not easy to arrange. The directors are doing their best to keep the wheels going round, and the Chairman assured shareholders that the Company will do all in its power to recover the trade German competition has taken from it.

ABOSSH GOLD.—Issued capital, £400,000, in £1 shares.

Year ends	Stps. Milled	Tons	Value £	Per Ton	Estimated Expenses £	Per Ton	Approximate Profit £	Price end of Period
June 30 1912-13	39av.	104,400	185,146	35/5	133,092	25/6	34,678	6/7 1/2
1913-14	39av.	87,752	152,303	34/8	122,109	27/9	18,985	3/11 1/2
1914-15	—	—	—	—	—	—	—	—
July ...	40	8,650	15,268	37/9	12,829	31/11	1,116	2/9 1/2
Aug. ...	—	—	14,174	—	—	—	—	—

* After allowance for depreciation and taxes.

Dividends—1912, Dec., 5 per cent.

1913, Oct., 5 per cent.

ARIZONA COPPER.—Output of copper as announced:—

Year to Sept. 30	1912-13 Tons	1911-12 Tons
Dec. qr. ...	17,050	18,075
Mar. qr. ...	4,635	4,650
June qr. ...	4,910	4,650
July ...	5,212	4,650
Aug. ...	1,560	1,300
...	1,869*	900

* Company's output from September 1 to be largely reduced.

Dividends per cent.—1908-09, 50; 1909-10, 50; 1910-11, 50; 1911-12, 65; 1912-13, June, 30; Jan., 25; 1913-14, June, 20.

The Gift of the East to the West

Snake Charmer Cigarettes

for Connoisseurs

Per Packet of Ten

BOUQUET

SIZE 6^D.

QUEEN

SIZE 9^D.

May be obtained at all the branches of Salmon & Gluckstein, Ltd., or sent free from their Warehouse, 2-14, Clarence Street, St. Luke's, London, E.C.

OPINION AS TO MORATORIUM.

WITH reference to the remarks recently published, we are asked to put on record the detail of the answers that were given to the questions asked by the Chancellor of the Exchequer. The replies were as given below:—

Classes of Persons sending Returns	Number of Returns re- ceived	Extension of Moratorium beyond September 4						Comparison of Banking Facilities Available before the War and now	
		(1) Num- ber in Favour of not Extending	Total Num- ber	(2) Number in Favour of Extending				(1) Num- ber of Opinion that Reason- ably Com- parable	(2) Num- ber of Opinion that not Reason- ably Com- parable
				(a) For an Un- limited Period	(b) For a Limited Period	(c) For a Part of the Debt	(d) In some other Way		
1. Bankers—									
(a) London ..	81	3	78	12	62	2	2	42	33
(b) Provinces ..	42	12	30	5	22	9	1	32	2
2. Stockbrokers—									
(a) London ..	—	—	—	—	—	—	—	—	—
(b) Provinces ..	31	6	25	7	17	8	1	26	4
3. Discount Brokers—									
(a) London ..	17	—	17	16	1	—	—	—	1
(b) Provinces ..	—	—	—	—	—	—	—	—	—
4. Manufacturers—									
(a) London ..	741	487	254	43	178	92	3	547	80
(b) Provinces ..	2,897	1,924	973	160	657	356	18	2,420	180
5. Retail Traders—									
(a) London ..	243	147	96	18	70	44	1	190	15
(b) Provinces ..	981	616	365	64	261	168	3	866	27
6. Export Merchants—									
(a) London ..	227	70	157	58	87	27	6	122	78
(b) Provinces ..	613	152	461	169	264	87	4	289	249
7. General Merchants—									
(a) London ..	289	138	151	29	104	61	4	174	77
(b) Provinces ..	1,363	774	589	104	329	248	7	1,076	147
8. Produce Brokers—									
(a) London ..	45	13	32	6	25	10	3	22	16
(b) Provinces ..	68	41	27	4	18	4	—	49	5
9. Transport—									
(a) London ..	93	8	85	8	81	13	—	84	8
(b) Provinces ..	146	77	69	15	45	12	1	128	7
10. Miscellaneous—									
(a) London ..	58	22	36	9	20	12	—	34	15
(b) Provinces ..	321	163	158	17	121	66	1	240	25
* Totals ..	8,256	4,653	3,603	744	2,353	1,219	55	6,341	969

* The Committee of the Stock Exchange answering on behalf of their members numbering approximately 6,000 were unanimously in favour of extension.

MEETINGS.

THE STEEL COMPANY OF SCOTLAND, LIMITED.

THE annual general meeting of the Steel Company of Scotland, Limited, was held in the Religious Institution Rooms, 200 Buchanan Street, Glasgow, on Wednesday, September 16, 1914, at 12.30 P.M.

Mr. William Lorimer, LL.D., presided.

The Chairman called upon the Secretary (Mr. W. H. Pearson) to read the notice calling the meeting and also the report of the auditors.

Mr. Pearson having read the notice and the auditors' report,

The Chairman said: The report has been circulated among you, and I presume you will hold it as read. (Applause.) Well, gentlemen, those of you who, like myself, are old shareholders of the Company have had some experience of the vicissitudes of the steel trade, and while, of course, you will naturally be disappointed, you will not be greatly surprised and, I hope, not at all dismayed because of the fact that this year we have had to reduce our dividend from 10 to 5 per cent.

Fierce German Competition.

I remember when we met here a year ago I told you that at that time we appeared to be reaching the end of a period of prolonged activity, during which we had large outputs at remunerative prices, which had served greatly to strengthen our position, and I said we appeared to be on the eve of a period of restricted demand, but I added that our experience had hitherto been that when one door closed another opened, and I hoped we might get through fairly well. Well, that hope has not been altogether realised, because we have found that this restricted demand prevailed in all our markets in every part of the world, and we had, therefore, for this limited demand, to face the competition not only of our friends at home, but some competition from America, and a very fierce and subsidised competition from Germany. The effect of that was that prices were reduced, were forced down, to a perfectly unremunerative level. Sometimes even we had to make the unhappy choice of determining whether we should lose money, working or standing, and all we could do was to watch the course of events specially and carefully, to watch our outgoings, to make the very best we could of such remunerative contracts as

we had, and on the whole, and taking all the circumstances into account, I think we have done very well indeed. (Applause.) I say that with the less hesitation for a reason which I shall explain in a moment. I myself have had practically nothing to do with it. Whatever credit is due to the board for the results that we are now considering, that credit belongs to my colleagues, and not to myself. Now we are here to-day face to face with an important factor of which we have hitherto had no experience.

The War.

I refer, of course, to the war. I was not in this country when war was declared, and I regret it very much, because I should have liked exceedingly to witness the operation of influences which have never occurred before in the experience of any of us, and which I am never likely to see again. There was necessarily, and inevitably there must have been, enormous anxiety. I am not referring for the moment to national interests but to commercial interests. There must inevitably have been enormous anxiety with respect to international transit and with respect to international finance. So much had been said and written as to the enormous power and the equally great efficiency of the German Navy that naturally merchants and shippers were uneasy as to materials reaching their destination, while the conditions as to international finance were sufficiently indicated by the prevalence of a 10 per cent. Bank rate. Well, we are now six weeks from the beginning of the war, and what do we find? This famous German Navy has confined itself to the somewhat inglorious rôle of sinking trawlers, of making captives of innocent fishermen, and of sowing mines in neutral waters, while, on the other hand, our own Navy, even as a watching instrument, has proved so effective that it is possible to send goods from our ports to any port of the world, any port of the neutral world, or to bring goods from these neutral ports to ours as freely and as safely as it was possible to do so three months ago. (Applause.) On the other hand, the Bank rate is now normal, and the arrangements which have been made by the Government to meet these conditions are apparently proving very effective. Well, then, the question we naturally ask ourselves is: How does this affect us as a Company? And while it would be unwise for any man to give a dogmatic reply to such a question I think we have good grounds for being hopeful. The wants of the world cannot be permanently suspended. They must, sooner or later and

somehow, be satisfied, and if we have no invasion—and an invasion is a very, very unlikely contingency—then we shall be the only country in Europe probably for a long time which is able to satisfy the wants of the world in respect of the products which we manufacture. (Applause.) It was in no way surprising, it was extremely natural, that there should have been a great commercial shock at the declaration of war, and from such a shock it takes time to recover. Therefore, while it is not possible to say that we have recovered from it, still I think the signs are hopeful, and I am confident that matters will gradually improve. While in respect of what will follow when peace is declared I shall only say this: I will ask those of you who are old enough to remember what happened after the Franco-German war in 1870.

Turning to something else altogether, it happens that this is the twentieth occasion on which I have met you here as Chairman of the Company. (Applause.) On each occasion hitherto it has been my practice to tell you of the work of the year as fully as appeared to me to be consistent with prudence. I propose, however, to delegate that duty to-day to Mr. Thorneycroft, and for this reason. You are aware, most of you, that I am a member of a Royal Commission which has necessitated travelling over a great part of the world. At the beginning of the financial year I spent a great deal of my time in London at the sitting of the Commission. At the beginning of the calendar year, eight months ago, I went to South Africa, and after a few weeks at home we sailed for Canada. That was on July 17, and at that time I had no expectations whatever of being here to-day, and did not expect to return to Glasgow till the beginning of November. We were recalled in consequence of the war, but I arrived in Glasgow after the accounts had been examined and audited and after the dividend had been declared. You will therefore see that I am not so familiar with the year's work as I have been on previous occasions, and I think it would be well for the shareholders present that I should ask Mr. Thorneycroft to say what otherwise I would have said myself.

Mr. Thorneycroft acts as Chairman in my absence, and he not only gives us the benefit of his technical and scientific knowledge, but he gives us an amount of personal devotion to the interests of the Company which makes us all very much his debtors. (Applause.)

Review of the Year's Work.

Mr. Thorneycroft: I am sorry that Mr. Lorimer has not completed the statement. He is very able to do it as he has had all the figures before him. As he told you we have had most difficult conditions to deal with during the year under review. Following on the period of pressure for deliveries experienced last year, the demand fell away, and greatly increased quantities of foreign steel were poured into this country, so that during part of the year our mills were only working to about half their capacity. The prices quoted for the bulk of our products latterly were below their cost of production, in spite of a considerable fall in price of pig iron and reductions in rates of wages. Had it not been for the fact that we have had old contracts to work off at higher prices, we should not have been able to show the results before you to-day. It was perfectly clear that the prices of raw materials, especially coal, would have to be further reduced if we were to carry on under the conditions of the trade ruling in July. The strike at Hallside Works has now been settled by arbitration.

The Accounts.

Turning to the accounts, the first item on the assets side, *Lands, Plants, &c.*, is slightly down, and would have been still further reduced had we not bought a piece of land at Blochairn, which lies in to our other property, and which we are using to advantage.

Loose Plant and Tools stand at practically the same figure as last year.

Floating Stocks are down, chiefly due to the very much lower prices ruling.

Sundry Debtors are also down, partly for the same reason and partly on account of reduced output.

Cash in hand is practically the same as at this time last year.

A new item in the accounts is represented by the holding of this Company in the Appleby Iron Company. I am glad to say that your directors have no reason to regret having joined that Company.

The existing blast-furnace plant has been improved, and is now working up to about one half of its capacity with some profit. In the meantime no contracts have been made for the erection of the proposed steelworks, but considerable progress has been made with the detailed plans of these works.

On the other side of the accounts you will find the newly created Preference shares appear, but the date of their issue is now indefinite.

The cost of creating these shares is written off in the profit and loss account, and so is the sum of £6,000 refunded to the Frodingham Company, in terms of our agreement. Against this sum of £6,000 there is a certain amount of undivided profits in the Appleby Company, which will accrue to this Company in due course.

The "A" Debenture stock is now reduced to £75,000, exactly half of its original amount.

We have added £10,000 to the reserve fund, and about £1,500 to the reserve for workmen's compensation, against an addition of about £31,000 on these two accounts last year. Our debts to sundry creditors are nearly £65,000 less than last year, and, finally, the balance at credit of profit and loss account, after debiting the amounts shown in detail in the balance sheet, is £44,553. We propose to pay away as dividend about one-half of this balance.

Liquid Assets.

If you take our liquid assets—stocks, sundry debtors, and cash together—and deduct our debts to sundry creditors, you will find we have a balance of floating capital of £268,357. The dividend of 5 per cent. requires £23,512, or less than one-tenth of this sum, and after payment of the dividend the balance of floating capital available will be £244,845, or nearly double the amount of floating capital with which your business was financed six years ago. In addition to this, we have over £50,000 in Appleby Works.

Everybody knows that the present is a time of grave financial stress, and the easiest course for your directors to take would have been to carry forward the sum available as dividend; but, having regard to the whole circumstances of the case, we have decided to recommend the payment of the modest dividend of 5 per cent.

There is one other matter I should refer to. In terms of a resolution passed by the shareholders in this room some years ago, the board was authorised to subscribe to charities in the name of the Company to the extent of £250 per annum, and by the constitution of the Company they are prevented from increasing that amount without going through the cumbersome procedure of altering the memorandum and articles of association, and so on. The Company has therefore not subscribed to the Prince of Wales' National Relief Fund, and we hope that each shareholder, on receipt of his or her dividend, will bear this in mind. Your directors have power to assist those in the employment of the Company who have taken their places in the Army in various capacities, and this they are doing.

The Future.

As to the future I have very little to say. The imports of iron ore and most other necessities for the carrying on of our works, which we get from abroad, continue to arrive. Higher prices are obtainable for our products, but the price of pig iron has jumped up, and new business in bulk is not easy to arrange. We are doing our best to keep the wheels going round and endeavour to overcome each difficulty as it arises. You may be sure that we shall do all in our power to recover the trade that German competition has taken from us, and you will remember that we acquired the interest in Appleby Works largely for that purpose.

The Appleby Company has sufficient capital in hand to make the best of the blast-furnace plant, and is now in a position to take advantage of any increased demand for pig iron. New steelworks, however, take a considerable time and much money to build, and in the present condition of affairs it is not possible to say when they will be started. Obviously this is not the time to issue the full amount of the new Preference shares for the purpose of paying off our Debentures and providing the capital for the new steelworks. (Applause.)

The Chairman then asked the Secretary to read the first motion, which was as follows:—

"That the report and abstract relative to the balance sheet shall be and are hereby approved of and adopted, and that a dividend on the capital of the Company be declared at the rate of 5 per cent. per annum, less income tax, to be payable on 21st instant."

He thereafter formally moved its adoption, and Mr. Thorneycroft seconded.

The Chairman then invited questions.

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No questions were asked, and the Chairman said : I think it is very good of you to express your confidence in this negative way. I presume the motion is adopted. (Applause, and "Agreed.")

Re-election of Directors.

The Chairman : Now I want to move from the chair the next motion. You may remember that when Mr. Alexander retired from the board last year I told you that we did not propose to proceed immediately to fill the vacant place, but that we meant to take time to look round and make quite sure that we had got as good a man as it was possible to find for our purposes. I am glad to say we have found him in Mr. Neilson. (Applause.) Mr. Neilson has a decided claim to such a position as this, a claim that I am glad to know he is good enough to recognise. His experience will be very helpful to us, and we have already found that he is exactly the man we wanted as a colleague. I have great pleasure in asking you to confirm his appointment as a director.

Mr. Thorneycroft seconded, and the motion was adopted.

Mr. Croll moved :—

"That as Mr. James Couper and Mr. David Y. Cassels, in terms of the Company's articles of association, retire from office at this meeting, they be and are hereby re-elected directors of the Company."

Mr. Smith seconded.

The Chairman : I endorse this motion very warmly, and I ask you to agree to it heartily and unanimously. (Applause.)

Mr. Jeffrey moved :—

"That Mr. Robert Campbell Mackenzie, chartered accountant, and Mr. William Boyd, chartered accountant, be re-appointed auditors of the Company for the ensuing year at a remuneration of £105 each."

Mr. Dewar seconded the motion, which was adopted.

Vote of Thanks to Chairman, Directors and Staff.

Mr. MacLeod : Our Chairman has said that we have only given a negative approval to what the board has done because we asked no questions. I am sure we would not like to leave this room without giving a very much warmer approval. In the first place, the Chairman spoke to us about the dividend. It seemed to me that both he and Mr. Thorneycroft were rather apologetic on this question. They have been accustomed to give us such a good dividend that when they could only give us 5 per cent. they think they are not doing what they should be doing. There are some of us, however,

who have been elsewhere, and instead of getting a dividend are met with a very doleful call for more money, so we can appreciate in these trying times the dividend now proposed. We know that the dividend has been thoroughly earned, and that the Company is in a good position. With regard to the war, I think if the Army and Navy are going to punish the Germans, the Steel Company of Scotland on its part is going to punish them also, because I am quite sure that a great many customers who have formerly traded with Germany, when they take our products will find them so much better that they will be very thankful to pay a little extra for them when the war is over. I would like in this vote of thanks to refer to the fact that the Chairman has been with us 20 years. (Applause.) Instead of thinking less of him every day, we think more. (Applause.) During stormy times such as these he tells us that he would have liked to be at home, and our experience shows how prudently the Company is administered when it can stand the recent shock to commerce and not feel it. I hope I am not out of place in associating in this vote of thanks the members of the board and the staff for the very able and efficient way in which the Company is conducted. (Applause.)

The Chairman : Gentlemen,—I greatly appreciate the kindness of Mr. MacLeod's personal remarks, and I thank him and you very much for the manner in which you have received them. I also thank you heartily for your appreciation of his kind references to the other members of the board, who, I am sure, for the last two years, at all events, deserve it far more than I do. Mr. Thorneycroft has just reminded me that he made one serious omission in his speech, and that is he failed to make any reference to the services of the staff. Now these are arduous and anxious at all times, but at a time such as we have been passing through, and of which we may still have experience, their labours are more arduous and anxious than usual, and I am delighted to have this opportunity of expressing our appreciation of those services and of saying that we could not have more efficient help than we have from the gentlemen gathered round us. (Applause.)

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Established 1862.
Authorised Capital ... £4,000,000
Paid-up Capital ... 1,500,000
Reserve Fund ... 2,000,000

BRANCHES.
ARROENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle 8 de Irigoyen (Buenos Aires).

URUGUAY.—Montevideo, Montevideo Agency (Osilo Rio Negro), Paysandu (Agency), Salto (Agency).

BRASIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaoes (Agency).

ORILL.—Valparaiso.

FRANCE.—Paris (16 Rue Halévy).

BELGIUM.—Antwerp (22 Place de Meir).

Agency in New York and Agents throughout the World.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

7 Princes Street, E.C.

The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

VOL. LXXXI.—No. 1,909.] SATURDAY, SEPTEMBER 26, 1914. [PRICE 4d. POST FREE 4½ (U.K.)

BRITISH BANK for FOREIGN TRADE, LIMITED.

(Formerly Anglo-Russian Bank, Ltd.)

AUTHORISED CAPITAL.....£1,500,000

ISSUED AND FULLY PAID UP CAPITAL.....£1,200,000

HEAD OFFICE:

48 BISHOPSCATE, LONDON, E.C.

London Clearing Bankers:

Bank of England; Lloyds Bank Ltd.

CURRENT ACCOUNTS.—Interest allowed by arrangement on minimum monthly balances at 2% per annum.

DEPOSIT ACCOUNTS.—Interest at a minimum of 4% per annum allowed for fixed periods of 3 months and upwards.

Bills discounted

Foreign Exchange

Credits opened

Coupons Collected

Advances against Documents.

O. H. BUTTERFIELD, Manager.

BANCA COMMERCIALE ITALIANA.

HEAD OFFICE:—MILAN.

LONDON OFFICE:—1 Old Broad Street, E.C.

Paid-up Capital, £5,200,000. Reserve, £2,328,000.

Branches in Italy.—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; and Agencies in numerous other Towns.

Agents in London for:—Banque Française et Italienne pour l'Amérique du Sud, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and Societa Commerciale d'Oriente, Tripoli, Africa.

AGENTS & CORRESPONDENTS in all parts of the world.

BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund £P.300,000

Plura,	BRANCHES IN:	Mollendo,
Chilayo,	Callao,	Arequipa,
Panamayo,	Cerro de Pasco,	Quito,
Trujillo,	Chincha Alta,	Quito,
Huaras,	Ica,	Iquitos,
	Huancayo,	Huacho.

Letters of Credit, Drafts and Cable Transfers, issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

HONGKONG AND SHANGHAI BANKING CORPORATION.

CAPITAL, all paid up\$15,000,000

RESERVE FUNDS

STERLING RESERVE, HELD

IN LONDON AT EXCHANGE

OF 2s. PER \$ = £1,500,000

STERLING, INVESTED IN CON-

SOBLS AND OTHER STERLING

SECURITIES.....\$15,000,000

SILVER RESERVE.....17,650,000

RESERVE LIABILITY OF PROPRIETORS.....\$32,650,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq. Sir Carl Meyer, Bart.

Wm. Cair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, } Managers

H. D. C. JONES, } in London,

JOHN MAULENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... £3,703,704

RESERVE FUND ... £1,033,410

PETROGRAD. MOSCOW. PARIS.

And over 100 Branches in Russia.

London Offices: 24/28 Lombard Street, E.C.

Telegraphic Transfers and Remittances made to

Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares, Dividends

Collected, Drafts issued on all parts of the world. Also

Circular Letters of Credit.

Commercial Credits opened, Foreign Money ex-

changed, approved Bills negotiated, Bills collected on

the most favourable terms.

Deposits are received for one year and over at 4 per

cent. per annum, and on current accounts interest is

allowed at 2 per cent. per annum on the minimum

monthly balances.

COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout

Australasia.

Bills Negotiated and Collected. Drafts and Letters

of Credit issued. Remittances cabled or mailed.

Current accounts opened. Deposits accepted for fixed

periods, and BANKING BUSINESS of every

description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,000 Post Offices throughout Australia.

Special facilities for the remittance of Settlers' funds.

London Office: 36-38 New Broad Street, E.C.

C. A. B. CAMPION, Manager.

STANDARD BANK of SOUTH AFRICA, LTD.

BANKERS TO THE GOVERNMENT OF THE UNION OF SOUTH AFRICA IN CAPE PROVINCE; TO THE IMPERIAL GOVERNMENT IN SOUTH AFRICA; AND TO THE ADMINISTRATION OF RHODESIA.

HEAD OFFICE.

10 Clements Lane, Lombard Street, London, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 200 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

SUBSCRIBED CAPITAL.....£8,194,100

PAID-UP CAPITAL.....£1,548,525

RESERVE FUND.....2,000,000

UNPAID CAPITAL.....4,645,575

£8,194,100

BOARD OF DIRECTORS.

W. R. Arbuthnot, Esq. Hon. Sir Charles W.

Sir David Miller Barbour, K.C.M.G., K.O.S.I. Fremantle, K.O.B.

Robert E. Dickinson, Esq. Horace Peel, Esq.

James Fairbairn Finlay, Esq. Rt. Hon. Lord Sydenham

G.O.M.G., G.C.S.I. G.O.L.E.

Rt. Hon. Lord Welby P.C., G.C.B.

EVERY DESCRIPTION OF BANKING BUSINESS

transacted with the Cape Province, Natal

Orange Free State, Transvaal, Rhodesia, Nyasaland,

East Africa Protectorate, Uganda, Zanzibar

Portuguese East Africa, and the Belgian Congo,

and the Bank's Agencies in Hamburg, New York

and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms

DEPOSITS RECEIVED for fixed periods at rates

which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL AND TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT AND DRAFTS granted on the

branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF

CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE AND SALE of Stocks and Shares effected

DIVIDENDS, ANNUITIES ETC., received.

EXCHOUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

WILLIAM SMART, London Manager.

NATIONAL BANK of TURKEY.

Subscribed Capital... £1,000,000

Paid up ... 250,000

President:

Sir HENRY BABINGTON SMITH, K.C.B., O.S.I.

Head Office: CONSTANTINOPLE.

Manager: H. P. KINGHAM.

London Committee:

THE HON. SIDNEY PERL, Chairman.

The Hon. Hugo Baring, O.S. Gulbenkian, Esq.

H. Bironenough, Esq., O.M.G. R. H. Macaulay, Esq.

K. N. Meyer, Esq.

London Agency... 60 CORNHILL, E.C.

Manager, R. HECHT.

General Banking Business Transacted.

BANCO DE CHILE.

LONDON AGENCY—

94 GRACECHURCH STREET, E.C.

Paid-up Capital ... Chilean Dollars.

Reserve Fund ... \$40,000,000

Reserve Liability of Shareholders 40,000,000

HEAD OFFICES: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

CREDITO ITALIANO.

Capital fully paid and Reserve...£3,440,000

LONDON BRANCH:

22 Abchurch Lane, E.C.

Manager: George Manzi-Fa.

Joint Managers { D. A. Horner,

Martin Schurig.

Correspondent of the Royal Italian Treasury.

Transacts a General European and Overseas

Banking Business.

Head Office: MILAN

With Branches throughout Italy.

NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... £750,000

Subscribed and Paid-up Capital ... £240,000

HEAD OFFICE ... AMSTERDAM.

LONDON AGENCY... 2 GT. WINCHESTER ST., E.C.

LONDON MANAGER J. COST BUDDE.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.)

Established 1883.

Subscribed Capital ... Yen 48,000,000

Capital Paid up... 30,000,000

Reserve Fund... 18,900,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antong-Hsien Kobe New York

Bombay Liao Yang Osaka | Peking

Calcutta London Ryojun (Port

Changchun Lee Angeles Arthur)

Dairen (Dalny) Lyons San Francisco

Hankow Fengtien Shanghai

Harbin (Mukden) Tientsin

Hong Kong Nagasaki Tientsin | Tokio

Honolulu Newchwang Tungshan

The Bank buys and receives for Collection Bills of

Exchange, Issues Drafts and Telegraphic Transfers

and Letters of Credit on above places and elsewhere,

and transacts General Banking Business.

Deposits received for fixed periods at rates to be

obtained on application.

R. TATSUMI, Manager.

London Office—7 Bishopsgate, E.C.

**JOHANNESBURG CONSOLIDATED INVESTMENT CO.,
LIMITED.**

(Incorporated in the Transvaal.)

REPORT OF DIRECTORS.

To be submitted to the Shareholders at a Meeting to be held in the Board Room, Johannesburg Consolidated Investment Company, Limited, Consolidated Building, Fox Street, Johannesburg, on Tuesday, the 10th day of November, 1914, at 11.30 a.m.

1. ACCOUNTS.—The Directors have pleasure in submitting herewith the Company's Balance Sheet and Profit and Loss Account for the financial year ended 30th June, 1914.

2. **PROFITS.**—It will be seen from the accounts that the year's operations have resulted in a net profit of £199,595 15s. 7d., which, together with £168,429 12s. 11d. brought forward from the previous year, makes an aggregate available balance of £368,025 8s. 6d.

3. **DIVIDEND.**—On the 20th June a dividend of 5 per cent. was declared by the Directors for the Company's financial year ending 30th June last, which is payable to Shareholders registered at that date. Warrants will be posted on the 24th September. This distribution absorbs £197,500, leaving £170,525 8s. 6d. to be carried forward to next account.

The Directors regret it is necessary to record that during the whole of the Company's financial year there has been an almost unbroken continuance of acute market depression, which has prevented the Company from materially augmenting its ordinary sources of revenue.

EVALUATION OF SHAREHOLDINGS.—The conditions referred to have been largely responsible for the market quotation of certain of the Company's shareholdings falling considerably below what the Directors consider to be their intrinsic value. This depreciation has, as usual, been fully provided for by writing down all such shareholdings to their respective market quotation at the 30th June last. It is, however, very satisfactory to be able to state that the aggregate market value of the Company's shareholdings is very largely in excess of the amount at which they appear in the balance sheet.

5. FINANCIAL POSITION.—The Company continues to hold a large proportion of liquid assets, and the financial strength of its position is fully maintained.

6. MINING.—In the Company's previous report reference was made to a deplorable strike of white miners on the Rand, which occurred in July of last year. This was followed in January last by what was equivalent to a general strike throughout the country. Owing to the firm and effective measures taken by the Union Government of South Africa, this labour upheaval, promoted by Syndicalist aspirations, has quickly subsided. Legislation has since been passed which it is hoped and expected will obviate any serious recurrence of such troubles in future.

INTERESTED.—The various reports published from time to time have dealt fully with the Mines' operations in which this Company is interested. Special mention, however, may be made of the Consolidated Langlaagte, Van Ryn Deep and the Witwatersrand Gold Mining Company (Knights). The returns from the first-named property have exceeded expectations, and the prosperous future of this Company seems thoroughly assured. Dividends amounting to 20 per cent. have been paid during the last twelve months, and the Directors anticipate that, whilst maintaining this basis of distribution, the Company will be in a position to redeem its Debentures long before the expiry of the time prescribed for their redemption.

The Van Ryn Deep is proving a most valuable mine, and for confirmation of this statement it is only necessary to refer Shareholders to the Company's progressive monthly profits. Within twelve months of the commencement of crushing operations dividends of 7½ per cent. and 12½ per cent. respectively have been paid.

The Witwatersrand Gold Mining Company (Knights) is more than maintaining its high standard of profits, and has increased its dividend to 50 per cent. per annum.

The development results on the Government Gold Mining Areas (Maddertfontein) continue very satisfactory, and, as foreshadowed in the report of 1913, it is expected that crushing operations will commence about November next.

With regard to the principal Diamond Mines of South Africa, the Directors look forward with confidence to an early removal of the adverse factors which have recently affected the products of the industry.

8. **GOLD PRODUCTION.**—The aggregate value of the gold produced by the mines under this Company's control amounted to £3,018,447, indicating a substantial increase of £522,240 as compared with the previous year and £904,447 as compared with two years ago. It is also noteworthy that this Company's group of Mines distributed £977,192 in dividends during the year under review, the total being £393,655 in excess of the previous year.

9. **ESTATES AND TOWN PROPERTIES.**—Owing probably to the unsettling influence caused by the recent strikes, applications for building sites show a diminution as compared with last year, but the revenue derived from the Company's town properties, including the Carlton Hotel, is under the circumstances satisfactory.

10. ELECTION OF DIRECTORS.—In terms of the Articles of Association, four of the Directors, viz., Sir Robert B. Llewellyn, Messrs. Charles Marx, John Munro, and H. A. Rogers, retire by rotation, and offer themselves for re-election.

11. ELECTION OF AUDITORS.—Messrs. J. P. O'Reilly and Henry Hains, the Auditors of the Company in Johannesburg, and Messrs. Chatteris, Nichols and Co., the Auditors in London, retire from office, and offer themselves for re-election.

By Order of the Board,
THOMAS HONEY, London Secretary.

London, 25th July, 1914.

ADDENDUM.

In sending out the Annual Report as originally framed, the Directors have assumed that Shareholders would like to be acquainted with the position of the Company prior to the unprecedented financial upheaval brought about by the war into which Europe has been plunged.

the ultimate effects of the war upon the general financial position of the world, and time alone can solve this question. In so far as the Company is concerned, the Directors desire to say that they are taking all possible steps to safeguard its interests. It is most satisfactory to record that there is every prospect that the Gold Mines will continue to produce gold, and that for obvious reasons every assistance will be afforded to the Government to maintain and if possible increase the gold output.

and in passing, increase the dividend but, in accordance with the Report, a Dividend of 5 per cent. would, under ordinary circumstances, have been paid to Shareholders on the 24th September. In view, however, of the existing financial crisis, which renders unavailable the bulk of the Company's usually liquid resources, the Directors have decided that the payment of the Dividend must be postponed, and they trust that Shareholders will readily recognise that, under the circumstances, no other course was possible.

THOMAS HONEY,

THOMAS HONEY.

London Secretary.

BALANCE SHEET, 30th JUNE, 1914.

DR.		CAPITAL AND LIABILITIES.		ASSETS.		CR.	
		£	s. d.	£	s. d.	£	s. d.
Authorised Capital (under Resolution of 23rd November, 1905)	4,500,000	0	0	Investments in Stocks and Shares	3,221,783	18	1
of which £4,345,000 is Registered Capital.				Mining Properties and Advances to Mining Companies	63,424	8	9
Capital Issued	3,950,000	0	0	Real Estate and Buildings	650,888	2	6
Reserve Fund	250,000	0	0	Loans on Mortgage and Real Estate	£590,750	7	1
Sundry Creditors	474,635	15	3	Loans at Short Call on Market Securities	285,545	3	8
Dividend (No. 17) of 5 per cent. declared 20th June	197,500	0	0	Sundry Debtors and Dividends Accrued	56,069	18	5
Profit Appropriation Account—				Cash at Bankers and in hand			
Balance	170,525	8	6		932,365	9	2
Contingent Liabilities—				Office Furniture, &c.	5,604	15	10
Uncalled Capital on Investments, &c. ...	44,306	18	1				
	£5,042,661	3	9		£5,042,661	3	9

PROFIT AND LOSS ACCOUNT for the Year ended 30th June, 1914.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Directors' Fees, Salaries, Office and other Expenses, Johannesburg, London and Paris, less Amounts received from other Companies	30,781	15	5	By Profits realised on Stocks and Shares, Dividends, Commissions and Sundry Receipts, less Amounts written off ...	230,377	11	0
Balance, being realised Profit for the year carried to Appropriation Account	199,595	15	7				
	<u>£230,377</u>	<u>11</u>	<u>0</u>		<u>£230,377</u>	<u>11</u>	<u>0</u>

PROFITS APPROPRIATION ACCOUNT.

	£	s.	d.		£	s.	d.
To Dividend No. 17 of 5% declared 20th June, 1914	197,500	0	0	By Balance of Profit and Loss Account at 30th June, 1913	168,429	12	11
Balance carried to Balance Sheet	170,525	8	6	Do. at 30th June, 1914	199,595	15	7
	<u>£368,025</u>	<u>8</u>	<u>6</u>		<u>£368,025</u>	<u>8</u>	<u>6</u>

S. B. JOEL, Chairman,
A. B. STEPHENSON. } Directors.

We report that we have examined the above Balance Sheet, dated the 30th June, 1914, with the books and vouchers of the Company in Johannesburg, and have obtained all the information and explanations we have required as Auditors. In our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Company. We have also verified the securities in South Africa.

**HENRY HAINS, } Auditors.
J. P. O'REILLY, }**
Incorporated Accountants.

Johannesburg, 6th July, 1914.

THOMAS HONEY, Secretary.

We report to the Shareholders that we have audited the Accounts of the London Office of the Johannesburg Consolidated Investment Company, Limited, dated 30th June, 1914, and have obtained all the information and explanations we have required. The Audited Accounts of the Johannesburg Office have been properly incorporated in the above Balance Sheet and Profit and Loss Account, and in our opinion the Balance Sheet is properly drawn up so as to show a true and correct statement of the position of the Company according to the best of our information and the explanations given to us and as shown by the Books of the Company. We have also verified the Securities in London.

CHATTERIS, NICHOLS AND CO., } Auditors.
Chartered Accountants,

London, E.C., 5th August, 1914.

GUANAJUATO POWER AND ELECTRIC COMPANY.**FIRST MORTGAGE SIX PER CENT. THIRTY-YEAR GOLD BONDS.**

The Coupons due October 1st next on the above Bonds will be paid on and after that date at the Counting House of Messrs. William P. Bonbright and Company, 16 George Street, Mansion House, E.C.

LONG ISLAND RAILROAD FIVE PER CENT. CONSOLIDATED MORTGAGE BONDS.

The Quarterly Coupons due 1st October, 1914, in New York on the above Bonds will be cashed on and after that day at the exchange of \$4.85 per £ at the Counting House of the undersigned.

ROBERT BENSON AND COMPANY.
No. 31 Bishopsgate, E.C.

H. HOLDRON, LIMITED PECKHAM.

The Share Transfer Registers (Ordinary Shares) will be Closed from September 23rd to 30th, both days inclusive, to prepare Warrants for the Interim Dividend, at the rate of 6 per cent. per annum, payable October 1.

By Order of the Board,
C. E. DAVIS,
Secretary.

September 18th, 1914.

ARMY AND NAVY CO-OPERATIVE SOCIETY, LIMITED, 105 VICTORIA STREET, WESTMINSTER, LONDON, S.W.**INTERIM DIVIDEND.**

An Interim Dividend of 1s. per 1s. share (free of Income Tax) will be payable on and after the 16th October. In the case of Shareholders having Deposit Order Accounts the Dividend will, unless already otherwise requested, be credited to such accounts.

To Shareholders not having Deposit Order Accounts Warrants will be sent.

By Order,
H. M. BEAMER,
Acting Secretary.

18th September, 1914.

NEW SOUTH WALES THREE-AND-A-HALF PER CENT. STOCK, 1924, and NEW SOUTH WALES THREE PER CENT. STOCK, 1935.

The Agent-General for New South Wales Hereby Gives Notice that the Bank of England, London, E.C., will pay on and after 1st October next the Half-year's Dividends then falling due in London on the Three-and-a-Half per Cent. Stock, 1924, and Three per Cent. Stock, 1935, issued by the Government of New South Wales.

T. A. COGHILAN,
Agent-General for New South Wales.
New South Wales Government Office,
123-125 Cannon Street, London, E.C.,
22nd September, 1914.

NEW SOUTH WALES GOVERNMENT DEBENTURES.

The Agent-General for New South Wales Hereby Gives Notice that the London County and Westminster Bank, Limited, Lothbury, London, E.C., will pay, on and after 1st October next, the Half-year's Interest then falling due in London on the Debentures maturing on 1st October, 1922, issued by the Government of New South Wales.

Coupons and claims for interest must be left three clear days for examination, and forms for specifying the same may be had on application at the London County and Westminster Bank, Limited.

T. A. COGHILAN,
Agent-General for New South Wales.
New South Wales Government Office,
123-125 Cannon Street, London, E.C.,
22nd September, 1914.

CHINESE GOVERNMENT FIVE PER CENT. GOLD LOAN OF 1912.

NOTICE IS HEREBY GIVEN that the Coupon on the Bonds of the above Loan, due 30th September, 1914, will be paid on and after that date (Saturdays excepted) in England at:—

LLOYDS BANK LIMITED,
74 Lombard Street,
London, E.C.; or at the
CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,
38 Bishopsgate,
London, E.C.; or at the
BRITISH BANK FOR FOREIGN TRADE, LIMITED,
48 Bishopsgate,
London, E.C.

The Coupons must be left three clear days (excluding Saturdays) for examination previous to payment.

British Bank for Foreign Trade, Limited,
G. H. BUTTERFIELD,
Manager.

48 Bishopsgate, London, E.C.,
21st September, 1914.

CITY OF CALGARY FOUR-AND-A-HALF PER CENT. DEBENTURES, 1928-1937.

The Coupons falling due 1st October, 1914, on the above-mentioned Debentures should be presented between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle Street, London, or, at the option of the holders, at the Bank of Montreal, Calgary, Toronto, or Montreal. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,
G. C. CASSELS,
Manager.

47 Threadneedle Street,
25th September, 1914.

THE BUENOS AYRES GREAT SOUTHERN RAILWAY COMPANY, LIMITED.**NOTICE.**

The Directors of the Buena Ayres Great Southern Railway Company, Limited, hereby Give Notice that the Transfer Books and Register of Members will be Closed from Thursday, the 1st October, to Wednesday, the 14th October, both days inclusive, for the preparation of the Warrants for interest on the Five per Cent. Preference Stock, the Four per Cent. Extension Shares, 1914 (1912 issue), the Four per Cent. Extension Shares, 1914 (1913 issue), and the Dividend on the Ordinary Stock for the half-year ended 30th June, 1914.

By Order of the Board,

A. GIET, Secretary.
Dated this 24th day of September, 1914.
Offices of the Company—
River Plate House,
Finsbury Circus, London, E.C.

NEW MODDERFONTEIN GOLD MINING COMPANY, LIMITED. (Incorporated in the Transvaal.)**NOTICE TO SHAREHOLDERS.**

The Seventeenth Ordinary General Meeting of Shareholders for the year ended 30th June, 1914, will be held in the Board Room, The Corner House, Johannesburg, on Monday, 16th November, 1914, at 12 noon, for the following business:

1. To receive and consider the Balance Sheet and Accounts for the year ended 30th June, 1914, and the Reports of the Directors and Auditors.
2. To elect Directors in the place of those retiring in accordance with the provisions of the Company's Articles of Association.
3. To determine the remuneration of the Auditors for the past audit, and to appoint Auditors for the ensuing year.
4. To transact any other business which may be transacted at an Ordinary General Meeting, or which is brought under consideration by the Report of the Directors.

The Share Transfer Books of the Company will be Closed from the 16th November, 1914, to the 22nd November, 1914, both days inclusive.

Holders of Share Warrants who desire to be present or represented at the Meeting must produce their Share Warrants (or may at their option deposit same) at the places and within the times following:—

(a) At the Head Office of the Company, in Johannesburg, at least twenty-four hours before the time appointed for the holding of the Meeting.

(b) At the London Office of the Company, No. 1 London Wall Buildings, London, E.C., at least thirty days before the date appointed for the holding of the Meeting.

(c) At the Office of the Crédit Mobilier Français, 30 and 32 Rue Taitebont, Paris, at least thirty days before the date appointed for the holding of the Meeting, and must otherwise comply with the "Conditions as to the issue of Share Warrants" now in force.

Upon such production or deposit a Certificate, with Proxy Form, will be issued, under which such Share Warrant Holders may attend the Meeting either in person or by proxy.

By Order of the Board,
BAND MINES, LIMITED,
C. C. BEAUMONT, Secretaries.
Assistant Secretary.

Head Office—
The Corner House,
Johannesburg, Transvaal,
26th September, 1914.

UNION BANK OF CANADA. Incorporated 1865. Head Office, WINNIPEG.

Paid-up-Capital \$5,000,000
Rent and Undivided Profits ... \$3,600,000
Total Assets over \$8,600,000

LONDON OFFICES { 6 PRINCES STREET, E.C.
26 HATMARKET, S.W.

LONDON COMMITTEE: J. Leigh Wood, Esq., C.M.G.
Hon. Sidney Peel, F.W. Ashe, Esq.

The Bank having over 300 Branches in CANADA from Atlantic to Pacific, and Agents in all the principal Cities in America, has exceptional facilities for transacting a general Banking and Exchange business with Canada and the United States. Collections and Correspondence invited.

PHILADELPHIA COMPANY.**DIVIDEND No. 132.**

Pittsburg, Pa., September 18th, 1914.

The Directors have this day declared a QUARTERLY DIVIDEND of

ONE AND THREE-FOURTHS PER CENT.

on the COMMON STOCK, payable in Scrip of the Company, November 2nd, 1914, to Stockholders of record October 1st, 1914, said Scrip being redeemable at the option of the Company on or before May 1st 1918, and bearing interest until date of redemption at the rate of 7 per cent. (7%) per annum, payable semi-annually. Certificates will be mailed.

C. J. BRAUN, Jun., Treasurer.

PHILADELPHIA COMPANY.**DIVIDEND No. 4.**

Pittsburg, Pa., September 18th, 1914.

The Directors have this day declared a SEMI-ANNUAL DIVIDEND of

THREE PER CENT.

on the SIX PER CENT. CUMULATIVE PREFERRED STOCK, payable November 2nd, 1914, to Stockholders of record October 1st, 1914. Cheques will be mailed.

C. J. BBAUN, Jun., Treasurer.

ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

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(APRIL-JUNE, 1914)

OF

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(FULLY INDEXED.)

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The Statist.

LONDON, SATURDAY, SEPTEMBER 26, 1914.

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The Money Market.

Friday Evening, September 25, 1914.

Bank of England and Deposit Rates:—

DATES FIXED	BANK OF ENGLAND RATE.	DEPOSIT RATES.		
		BANKS. NOTICE.	DISCOUNT. CALL.	HOUSES. NOTICE.
Sept. 17, 1914...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

* Head Office and Metropolitan Branches only.

Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills ...	3½	3½	3½	3½
Trade Bills ...	—	5	5½	5½

MONEY.

THE Bank of England continues to attract gold on a large scale. Thursday's return showed that at the close of Wednesday's business the coin and bullion amounted to very nearly 51½ millions sterling. It will be recollected that, in addition to this, the Bank holds, "earmarked" for the Imperial Government, four millions of the metal now, having during the week "earmarked" another half-million. There are, likewise, other sums "earmarked" for other British Governments. The total in the Bank, therefore, is rapidly approaching to 60 millions sterling. The sum appearing in Thursday's return shows that the Bank is now stronger than it has ever been since the Bank

Charter Act was passed, now 69 years ago. The previous highest ever recorded was in 1896, the year after the breakdown of the mining boom, the Jameson Raid, and President Cleveland's Venezuela Message. It was then, however, over two millions less than it is at present. As the produce of the South African mines is being accumulated locally to the credit of the Bank of England, before the year is out the showing will be a very remarkable one.

Nevertheless, the Bank has very wisely decided not to put down its rate of discount. In times like the present a very low rate is not advisable. If the Bank is able in the future to avoid putting up the rate we shall be very fortunate. Moving the rate up and down is objectionable whenever it can be avoided. And while we are engaged in one of the most formidable wars in which we have ever been involved, it certainly is not advisable that money should be made unduly cheap. What is above everything to be aimed at is to give all the accommodation that is necessary to trade, so that it may expand wheresoever possible.

Meanwhile, it is very gratifying to find that confidence is reviving. In spite of the regrettable destruction of three cruisers, and of the annoying pranks of the *Emden*, there is undoubtedly a better feeling in the City than there was, and there is a general expectation that there will be very much less falling off in trade than everybody apprehended a few weeks ago. The war itself, of course, is creating a very considerable demand in important branches of trade. And as it goes on it will maintain that demand. But that is a natural result of hostilities. What should, in addition, be aimed at is that trade proper, that trade which is relied on in peace time, should be extended as far as possible; that every accommodation should be given to the public; and that, while there should be no undue cheapness, there should be also avoidance of unnecessarily high rates.

The news from India, as we point out elsewhere, is encouraging. There is a much better feeling than there was. There is a general expectation that the year will be prosperous and, therefore, the usual Indian demand for European goods, and especially for Lancashire goods, will be fully maintained. That is not only fortunate because it will enable Lancashire to give employment on a full scale, but it is also a happy circumstance inasmuch as it tends to lessen the apprehensions that the demand for Egyptian cotton might fall off. Everything seems to point to a good Far Eastern demand for British goods in particular and, amongst the rest, for cotton.

Amongst other matters of interest, we learn that there is a very strong French demand for British commodities of various kinds. This is not surprising, firstly, because of the invasion of so large a portion of the soil and the desperate fighting that is going on; and, secondly, because so much of the manhood of France is engaged either in actual fighting or in performing services necessary to enable the fighting to be continued. France being a rich country, the seas being kept open, and the progress of the war leading to a strong demand for commodities of every kind, especially clothing, and so on, there is likely to be a very active trade between this country and France. Moreover, we understand that many other countries which are not at present engaged in the war have been buying on a large scale. We have heard, for example, that for one country orders were offered for khaki which would have practically exhausted the whole available supply.

Those who look too exclusively to the operations of war and to the waste of wealth which accompanies those operations too often forget that there are many countervailing eventualities which, to a considerable

extent at all events, act as a set-off against the waste. One of these, of course, is the new demands that spring up because of the hostilities. Another is that industries which indirectly may be subservient to the maintenance of armies in the field frequently derive great advantages which enable those engaged in those industries in favourably circumstanced countries to make advances, which they probably would not have been able to do in times of peace. There is a third advantage to the happily placed countries, namely, that the less fortunate belligerents may be so driven out of certain markets that they may lose them altogether, and the traders of the more fortunate countries may thus be enabled to capture markets in which they played but a small rôle previously. In these ways it is quite possible that our own country, and some other belligerent countries, may really prosper because of the unprovoked aggression that has been made upon them.

The foregoing is not said either as a plea that war has some consequences not regrettable, nor is it even said to contradict the view that the world must suffer from so great a calamity. The object is to induce the reader to take a broader view than is generally presented in contemporary comments, and to recognise clearly that if the country acts with enterprise, intelligence, and resolution, it can pluck advantages out of evil and can increase the great trade it is already carrying on.

All this will be rendered more easy by the fact that the Bank of England is gaining so enormously in strength. By-and-by, when we can more clearly foresee the course of the war, it will, we hope, be possible to put down the rate of discount. But as long as a great German army is able to maintain itself in France so near to the very capital, it would clearly be unwise to affect a confidence which no competent observer really can entertain, or to expect that the conflict will be of short duration. The Bank of England is doing wisely in keeping the rate at 5 per cent., and we do not doubt that as soon as it can safely do so it will put the rate down so as to contribute to the successful expansion of our trade.

On Saturday last the market had to find another £15,000,000 for Treasury bills, making a total of £45,000,000. The money was easily found without having the slightest influence upon the value of short money. This is due largely to the fact that not only is there less demand for money owing to smaller trade and the cessation of Stock Exchange business, but especially to the fact that the Government disbursements are heavy. Short money throughout the week has been quoted from $1\frac{1}{2}$ per cent. to 2 per cent., whilst weekly fixtures have commanded from $2\frac{1}{2}$ per cent., and generally the lower figure. Open market rates of discount remained on the basis of 3 per cent. until towards the end of the week, which meant to say that brokers had some difficulty in getting fine paper at the rate and had no difficulty in rediscounting bills with the banks at a substantial profit. Late in the week the market hardened in consequence of the relatively high rates at which the India Sterling bills were placed, particulars of which will be found elsewhere, and when on Thursday it became known that the bill moratorium was to be terminated early next month the market became distinctly harder. Without going into the merits of the point it may be stated that the two main reasons given by bill brokers for raising their discount rates were that the notice given for the termination of the moratorium was far too short for people to grasp the situation and make preparations, and, secondly, that trouble might be feared unless some of the joint-stock banks showed a greater disposition to help the market than might be inferred from past experience.

INDIA STERLING BILLS.

TENDERS were received at the Bank of England on Wednesday last for £2,000,000 India bills payable September 28, 1915. The total amount applied for was £3,188,000. Tenders at £95 15s. 6d. received about 65 per cent., above in full. The bills were placed on a basis equal to an average rate of discount of £4 1s. 0.59d., thus making the average price obtained £95 18s. 11.41d. per cent.

FRENCH STERLING TREASURY BILLS.

DURING the past week about £2,000,000 of French Sterling Treasury bills have been successfully disposed of in the London market. The bills, which will have a currency of twelve months, were placed on a basis yielding 5 per cent. The proceeds of the issue, it is understood, will not involve any transfer of money from this country, the funds thus provided being needed to pay for the large numbers of boots and other articles that have been ordered in this country on behalf of the French Government.

NORWEGIAN TREASURY BILLS.

AN offer has been made in London during the past week of twelve months Norwegian Treasury bills for about £600,000. The bills were placed at about 94½ equal to an average discount rate of 5½ per cent. About two-thirds of the money thus raised is needed for the purpose of paying for material and other stores purchased in this country, the ordinary method of payment having been rendered difficult owing to the present condition of foreign exchanges. The balance of the proceeds is on account of coupon payments due. No remittance of money abroad will, of course, result from the issue, the proceeds being retained here.

BANK OF ENGLAND.

THE "other" securities in the Bank of England are running down rapidly. Thursday's return showed another reduction of £3,059,000, bringing the total down to £110,732,000. Besides losing this money the market paid £10,000,000 into the bank to the credit of the public deposits. Against a total loss of £13,000,000, however, the bankers' balances or "other" deposits are only £9,774,000 lower. This was owing to the increase in the reserve. The Bank of England received gold from abroad (or it had gold abroad placed to its credit) to the amount of nearly £2,224,000, and as £728,000 came in from the country the bullion item is nearly £3,000,000 higher, making, with a contraction of £419,000 in the notes, a total increase in the reserve of £3,373,000. The fact that the public deposits are only £10,000,000 higher, whereas the market paid for £15,000,000 of Treasury bills, indicates the Government are still paying out liberally. The further moderate increase in the reserve with but a slight change in the deposit liabilities has raised the proportion of reserve to liabilities fully 2 per cent. to 23.33 per cent.

MONEY IN NEW YORK.

THE principal feature in the last combined return of the New York Associated Banks and Trust Companies was the further addition of nearly £13,000,000 to the total deposits. Notwithstanding this big increase in liabilities the deficit in the surplus reserve is only £600,000 more than last week at £7,680,000. This was due to the considerable addition to the total reserve, all of which was, however, in legal tenders. The specie item fell a thousand pounds, but the legal tenders rose from a little over £15,318,000 to the high figure of over £17,640,000. The large increase in the deposits was due to an expansion of about £13,500,000 in the loans.

POSITION IN INDIA.

WEDNESDAY's applications for India Council bills showed a further moderate expansion. Two lacs more than last week were applied for, and the total sales were but slightly below the amount of 10 lacs offered. The minimum rates, however, remained the same at 1s. 3½d. for bills and 1s. 3¾d. for transfers, and no alteration has been made in the amount to be offered for tender next week. Of late years the Council have generally drawn in excess of their budget requirements. So far to date, however, the drawings this year are nearly £6,000,000 below last year's total to date. The reverse remittances from India to London, which have been steadily running down, were this week rather larger, the applications in India for bills and telegraphic transfers on London amounting to £346,000, as against £335,000 last week. The allotment was made in the proportion of £197,000 in bills and £149,000 in telegraphic transfers.

The following are the minimum Rates of Discount current in India:—

Bombay ... 6 per cent. (Aug. 20, '14) | Bengal ... 5 per cent. (Aug. 7, '14).

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 23, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
s. d.	Rs.	Rs.	%	s. d.	Rs.	Rs.	%
1 3½	7,80,000	7,80,000	100	1 3½	2,00,000	2,00,000	100
Offered.				Tendered.			
Grand Total ... Rs. 10,00,000				Rs. 9,80,000			
				Accepted.			
				Rs. 9,80,000			

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	Bills.				Telegraphic Transfers.		
	Rs.	Average.	Minimum.		Rs.	Average.	Minimum.
Bombay ...	6,30,000	1/3 937	1/3 ½	...	1,00,000	1/3 968	1/3 ½
Calcutta ...	30,000	1/3 937	1/3 ½	...	1,00,000	1/3 968	1/3 ½
Madras ...	1,20,029	1/3 937	1/3 ½	...	—	—	—

From April 1 to Sept. 22 inclusive the Council have granted remittance for Rs. 5,49,54,861, realising £3,687,357. Up to Sept. 23 of last financial year the total Bills and Transfers sold was Rs. 14,17,59,605, realising £9,476 045. The total sales for the week ended Sept. 22 amounted to Rs. 7,75,029, realising £51,504. The amount to be offered for tender next Wednesday will again be 10 lacs.

The following are the details regarding the sale by the Government of India of Sterling bills and telegraphic transfers payable in London:—

				Tenders Invited	Tenders Received	Amount Accepted
				£	£	£
September 24	...	...	...	1,000,000	346,000	348,000
" 17	...	...	...	1,000,000	335,000	335,000
" 10	...	...	...	1,000,000	360,000	360,000
" 3	...	...	...	1,000,000	474,000	474,000
August 27	...	...	...	1,000,000	538,000	538,000
" 20	...	...	...	1,000,000	632,000	632,000
" 13	...	...	...	1,000,000	813,000	813,000
" 6	...	...	...	1,000,000	1,091,000	1,000,000

SILVER.

BAR silver, which a week ago left off at 23½d. for cash, fell on September 19 to 23¼d.—the lowest price touched since early in March 1910. Moderate purchases have been effected for the Continent, and a little silver seems to have been bought on the idea of a better demand for India shortly. To-day the price was fixed at 24¼d., showing an improvement of ½d. on the week.

	Sent. 18	19	21	22	23	24	25
London ...	23½d.	23½	23½	24½	24½	24½	24½
Exchange...	1/3 ½	Hol.	1/3 ½	1/3 ½	1/3 ½	1/3 ½	1/3 ½

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 RAILWAY

Stock Exchange.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement Days.	{ Wed., Aug. 26	* Thurs., Aug. 13	—
	{ — |	Thurs., Aug. 27 |	—

* Deferred to October 14 for both General and end-August Consols Settlements.

July 30. Bank of England rate to 4 per cent.
 „ 31. Bank of England rate to 8 per cent.
 Paris Bourse settlement deferred to August 31.
 London and New York Stock Exchanges did not open.

General securities and Consols settlements deferred.

Aug. 1. Bank of England rate to 10 per cent.
 „ 3. Bank Holiday extended to August 6 inclusive.
 „ 4. War declaration Germany and England.
 German Reichstag authorises extraordinary expenditure of £265,000,000, and other measures. (See *Times* of August 10, p. 5.)
 „ 6. British moratorium of month to September 4.
 „ 7. Banks reopen and issue of £1 Government (Treasury) notes (Currency and Bank Notes Act, 1914). Banks empowered to borrow Currency Notes from Government up to 20 per cent. of their liabilities on deposit and current account.
 Bank of England rate to 6 per cent.
 „ 8. Bank of England rate to 5 per cent.
 „ 12. General securities and Consols settlements on London Stock Exchange further deferred.
 „ 13. Government guarantees bills of exchange discounted at the Bank of England.
 Measure for holding gold in Colonies for account of the Bank of England.
 „ 19. Issue of £15,000,000 six months' Treasury bills.
 „ 20. Continental bank rates reduced: France 6 to 5, Holland 6 to 5.
 „ 26. Issue of £15,000,000 six months' Treasury bills.
 „ 27. Parliament approves a War Loan Bill, also Courts (Emergency Powers) Act providing leniency to debtors.

Sept. 1. British moratorium extended to October 4.
 „ 4. Further deferment of Stock Exchange Settlements; Consols and General to October 14.
 „ 5. Government action to assist acceptors of bills
 „ 11. Third issue of £15,000,000 Treasury bills.
 German 5 per Cent. Treasury Bond Five-year Loan. £50,000,000 5 per Cent. Treasury Bonds (five years). Also an unstated amount of 5 per Cent. Ten-year Bonds. (Telegram, September 24, from Berlin, reported total issue of £219,450,000.)
 „ 14. Stock Exchange Committee confirms resolutions:—
 “That no member shall do a bargain or negotiate a purchase or sale at a less price than the lower of the prices quoted in a list of 800 to 900 securities.” (*Vide* daily papers of September 15.)
 „ 21. Reopening of Australian Stock Exchanges.
 „ 23. New York City Loan oversubscribed.
 „ 24. Extension of moratorium to November 4, save as to bills of exchange, rents, and retail traders' debts.

(Also see War Chronology, page 628.)

Friday Evening.

THE position at the moment in respect of Stock Exchange dealings is worth taking note of. It may be recalled that quite recently the Stock Exchange Committee issued a notification that members of the Stock Exchange were only permitted to deal in some 800 or 900 different securities of the highest character—including trustee securities—at a scheduled minimum price. The full list of the quotations was made public, and was published in the Press on September 15. That schedule of prices still holds good, but a multitude of high-class and other securities not so scheduled remain without any restrictions as to the price at which they may be dealt in. Though the Stock Exchange remains closed, dealers, from their offices, or in the “street,” are effecting transactions. These technically may be of unofficial character, but they are semi-officially recognised. In fact transactions outside the limited list published by the Stock Exchange Committee, we take it, have the same imprimatur of semi-official recognition as transactions in the 800 or 900 gilt-edged securities set out in the list published.

Here and there the public is picking up stock. The volume of business has not been of large dimensions, but transactions are represented to be spread over an increasing number of securities. Prior to dealing being restarted brokers reported that they had a very considerable number of selling limits. With the steadying influence of more assurance as to finance, and especially on the favourable news respecting the throwing back of the Germans from the vicinity of Paris, there followed a complete change of attitude on the part of the public. Selling limits were quite abruptly nearly all withdrawn, and in place there have since been a fair number of purchasing orders for small amounts. Home railway securities outside those in the trustee list have received some attention. Buyers of 100 or 200 shares have, indeed, been fairly numerous, and some of the Ordinary and Deferred shares which were beaten down in price during the *débâcle* show small gains compared with the closing prices of the last day the Stock Exchange was open.

The shares of armament companies have been in request, Armstrong-Whitworth shares, for instance, being within a shilling or two of the price previous to the outbreak of war. Some of the other armament shares are even higher now than previous to the war; but then it is to be recollected that the capital of Armstrongs has been increased. Selections of oil shares have been in request. One or two brewery shares have improved, and, in a fair number of instances, mining shares, which were most noticeably depressed prior to the closing of the Stock Exchange, are now being purchased in small quantities at higher prices than those current on July 30; e.g. Central Mining and Rand Mines shares. It is to be recollected that the securities outside the scheduled list published by the Stock Exchange Committee are, so to speak, a free market, and quotations current are based upon intrinsic merit, coupled, of course, with considerations of supply and demand.

A correspondent has addressed us asking our opinion as to whether the utter defeat of the Central European Powers—that is Germany and Austria—by the Allies would not entail a crash in the market for Stock Exchange securities analogous to that brought about by the financial discomfords in the United States in 1907. We have no hesitation in replying to this query more than negatively. There are a good many persons doubtless who do not recognise the vast benefit that would accrue to the Stock markets through the entire removal of the long-endured menace of sabre-rattling by Germany, and the consequent ever-increasing naval and military expenditure by the Great Powers. Undoubtedly the perpetual latent apprehension of an eventual big European war, and the frequent severe nervous spasms, such as occurred at the time of the Agadir and other incidents, have contributed very considerably for some years past to keeping down the level of prices, and have prevented the appreciation in quotations that would have been witnessed under really peaceful conditions in consequence of the growth of prosperity.

Even before the outbreak of the Balkan war such was the state of affairs that the actual commencement of that war in the Near East was unattended by any further appreciable depreciation, for the reason that prices had already fallen heavily. The squelching of Prussian domineering militarism will remove a veritable millstone from the necks of the European nations. An end to the German menace would bring about an era of peace and assurance as to the future. For some years the repair of the ravages of war will entail an immense amount of extra employment for the industrial populations of this and other countries. With the incubus of perpetual apprehension removed,

the restoration of activity of trade, and the return of ease to the Money markets of the world, a growth in values of Stock Exchange securities, which has been kept back so long by the ever-recurring fears as to the future of international politics, is bound to come.

The daily Press has resumed the publication of lists of securities in which transactions are taking place. We give below a contrast of some of the shares, &c., in which for the time being there is a fair number of transactions or which have speculative interest:—

	Last Make-up July 27.	Price July 30.	Present Nom. Price.
Consols	74½	69	68½xd
Brazil 5%, 1913	81	72	67½
Japan 4½%, 2nd Series	90½	87	81
Russian 4%, 1889	82	79	76½
Gt. Western Ry. Ord.	112½	108½	105½xd
L. & N.W. Ry. Ord.	124½	121	116½xd
L. Brighton, & S.C. Defd.	77½	72	72
Midland Defd.	67½	63xd	62½
South Eastern Defd.	36	31½	32½
Canadian Pacific Ord.	176	165	159½
Od. Trunk 3rd Pref.	30	26	24
Amalgamated Copper	66	55xd	48
Atchafson Common	96½	91xd	88
Union Pacific Common	155	118x all	111
U.S. Steel Common	59½	54½	50½
B. Ayres Gt. South Ry. Ord.	105½	102	99
Leopoldina Ord.	51	42	40
Mexico Ry. 2nd Pref.	65	62	64
Sau Paulo Ord.	230	215½	205
Armstrong, Whitworth Ord.	40/-	39/6	38/6
Brazilian Traction Ord.	65	58	46½
Brunner Mond Ord.	85/-	85/-	78/-
Coats (J. and P.) Ord.	7½	7	6½
Kynoch Ord.	—	7½	11
Lyons (J.) Ord.	6½	6½	5½
Marconi Wireless Ord.	1½	1½	1½
Penin. & Oriental Defd.	290	280	262½
Vickers Ord.	35/3	34/-	34/-

AMERICAN RAILWAY RATES.

It is a matter for sincere congratulation to all interested in the economic welfare of the United States that the Interstate Commerce Commission has agreed to reopen the application by the Eastern Roads for an advance of 5 per cent. in freight rates. The new inquiry will commence on October 19, and it is stated will be confined to a presentation of facts relating to recent developments. That, in view of the exceptional existing circumstances, the railway companies will not have again appealed in vain for permission to make a small increase in their transportation charges is generally believed. Apart from the question of the abnormal rise that has occurred in expenses, the railways of the United States are faced with the difficulty of having to meet before the end of 1915 bond and note obligations aggregating over £100,000,000. In the highest public interest it is, of course, imperative that these obligations shall be met. With net income impaired and the rate of profit earned on the capital of the railroads declining, the raising of capital, not only to enable the companies to keep abreast of the times, but even in this emergency to place them in a position to anticipate the demands of an expanding commerce, is no easy task. Simultaneously with the great falling-off of income general credit conditions have broken down, and the absolute and immediate necessities of both public and private borrowers of money in the States and elsewhere have raised interest rates to a level unthought of a few months ago, rates much higher than the present net earnings return upon the railroad property of the United States. In view, therefore, of the existing condition of affairs the President of the United States recently received a deputation of railroad executives, consisting of the gentlemen whose names we published last week, to which should be added Mr. A. J. Earling, the President of the Chicago, Milwaukee and St. Paul Railway. This deputation, after laying before the President a statesmanlike memorandum indicating in brief terms the present situation in which American railways find themselves and the great difficulties besetting them as regards future financing, made two requests, which were as follows:—

"First, that the President will call the attention of the country to the pressing necessity for the support of railroad credit by the co-operative and sympathetic efforts of the public and of all Governmental authorities, and suggest that the railroads be relieved as far as possible of further immediate burdens involving additional expense; and

"Second, that the President will urge a practical recognition of the fact that an emergency has arisen which requires, in the public interest, that the railroads have additional revenue, and that the appropriate Governmental agencies seek a way by which such additional revenue may be properly and promptly provided."

In response to the appeal of the railroads President Wilson subsequently forwarded to Mr. Frank Trumbull, the Chairman of the Committee of Railroad Executives which waited upon him, a communication from which it is plainly evident that he fully appreciates the position in which the railways find themselves. We give herewith his reply to the deputation:

"Since you read it to me yesterday I have read again the statement you made me on behalf of the Committee of Railroad Presidents whom I had the pleasure of meeting and conferring with at my office. It is a lucid statement of plain truth.

"You ask me to call the attention of the country to the imperative need that railroad credits be sustained and the railroads helped in every possible way, whether by private co-operative effort or by the action, wherever feasible, of Governmental agencies, and I am glad to do so, because I think the need very real.

"I cannot say that I entertain any deep anxiety about the matter, except, of course, the general anxiety caused by the unprecedented situation of the Money markets of the world, because the interest of the producer, the shipper, the merchant, the investor, the financier, and the whole public in the proper maintenance and complete efficiency of the railways is too manifest. They are indispensable to our whole economic life, and railway securities are at the very heart of most investments, large and small, public and private, by individuals and by institutions.

"I am confident that there will be active and earnest co-operation in this matter, perhaps the one common interest of our whole industrial life. Undoubtedly, men, both in and out of official position, will appreciate what is involved and lend their aid very heartily wherever it is possible for them to lend it.

"But the emergency is, in fact, extraordinary, and where there is a manifest common interest we ought all of us to speak out in its behalf, and I am glad to join with you in calling attention to it. This is the time for all to stand together in united effort to comprehend every interest and serve and sustain it in every legitimate way.

"The laws must speak plainly and effectively against whatever is wrong or against the public interest, and these laws must be observed; for the rest, and within the sphere of legitimate enterprise, we must all stand as one to see justice done and all fair assistance rendered, and rendered ungrudgingly."

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NATIONAL RAILWAYS OF MEXICO.

AN authoritative statement has been issued this week concerning the National Railways of Mexico, which to some extent dispels the disquieting information to hand a week ago. The fact of the matter is that in virtue of its holding of about 52 per cent. of the stock the Mexican Government has the right to remove the directors and other officials of the Company and to control policy. Upon taking over the reins of office it appears that General Carranza deemed it advisable to substitute the employees of the old *régime* with men of his own selection. These transfers of appointments having been duly made the new officials a few days ago proceeded to operate the road in keeping with what was believed to be the best interests of all concerned. There has been no confiscation whatever, it being the purpose of the new Government to restore the property to the Corporation after the annual meeting of shareholders, which takes place on October 7, at which time a new board of directors will be named. This intelligence will be welcomed by the bond and stock holders of the Company, who after their long experience of "watchful waiting" are looking forward with eagerness to a return to stable conditions in Mexico, although the information to hand yesterday (Friday) concerning the movements of General Villa would seem to indicate that the trouble has by no means been peacefully settled. As regards the state of affairs on the National Railways Company it is understood most of the divisions have now been reopened, but owing to shortage of equipment shippers are experiencing difficulty in obtaining transportation. Traffic with the States is also inconvenienced by the absence of through rates and through bills of lading, such facilities being granted only to the border, shippers then being required to make their own arrangements for transshipment. Even if the internal affairs of Mexico are not again disturbed, many months, it is thought, may elapse before the great amount of equipment destroyed during the revolution can be replaced and traffic again restored to a normal basis. The announcement has also been made that Mr. C. R. Hudson, one of the Vice-Presidents of the undertaking, is likely to be elected at an early date to succeed Mr. E. N. Brown as President.

ALABAMA, NEW ORLEANS, TEXAS AND PACIFIC JUNCTION RYS. CO.

SINCE our remarks of last week were written the Secretary of this Company has announced that in the conditions existing the directors consider it advisable to defer payment of the interest on the "C" Debentures in respect of the current year until the interest due November 1 next on the "A" Debentures and the balance of interest for the year on the "B" Debentures shall have been dealt with. As we indicated last week, the income of the Company, which is a holding concern, is seriously affected this year owing to the reduced profits of its subsidiaries, one of which has had to cut its dividend, while another has suspended its distribution. So far as we are able to estimate the income of 1914, apart from any change that may be made in the dividend of still another subsidiary later in the year, and after allowing for the same appropriation to sinking fund as for 1913, a sum of about £12,000 will be available for the Preferred "A" shares. To some extent this is confirmed by the statement of the Secretary that there is no reason to suppose that the profits for the year will not be sufficient to permit of payment of interest on the "C" Debentures in full, and the directors hope to announce such payment before the close of the year. Interest upon the "A" Debentures is cumulative, but that upon the "B" and "C" Debentures is non-cumulative. The income of the present year

is not in any way affected by the war and is the most unfavourable since 1908, when the currency crisis in the States reduced the balance for the Preferred "A" shares almost to vanishing-point. The full 5 per cent. interest has been forthcoming on the "C" Debentures regularly since 1902.

ERIE RAILROAD.

AN offer of \$4,550,000 of One-Year notes of the Erie Railroad has been made this week by Messrs. J. P. Morgan and Company. The new notes will take the place of a similar amount maturing October 1, and will bear the same rate of interest—viz., 5 per cent. Inasmuch, however, as the new notes were disposed of at the price of 97½ per cent., the cost of the new financing to the Erie is thus at the rate of 7½ per cent. Some little time ago it had been arranged that the notes should be renewed for two and a half years, until April 1917, at 5½ per cent., secured by the same collateral as in the case of the notes now maturing; but, doubtless in view of present circumstances, it was considered advisable to issue notes running for only twelve months.

CHRONOLOGY OF THE WAR.

- July 23. Austria-Hungary presents ultimatum to Serbia, giving only 48 hours for answer.
- „ 27. Sir E. Grey announces in Commons his proposal for a Conference of Germany, France, Italy, and Great Britain—accepted by France and Italy.
- „ 28. Austria-Hungary declares war against Serbia.
- „ 31. Germany declares state of war.
Italian declaration of neutrality.
- Aug. 1. Germany declares war against Russia, also invades Luxemburg.
- „ 4. War declared between Great Britain and Germany. British Government undertakes insurance of British shipping during war.
- „ 5. Lord Kitchener appointed Minister of War. Germans repulsed at Liège. Roumania to remain neutral.
- „ 6. House of Commons vote of credit for 100 millions. Austria-Hungary declares war against Russia.
- „ 10. France declares war on Austria-Hungary. Montenegro casts in her lot with Serbia.
- „ 11. German Army mainly operating through Belgium.
- „ 12. British Declaration of War against Austria.
- „ 17. Greece protests against Turkish movements.
- „ 19. Advance in force of Germans in Belgium and of Russians in East Prussia.
- „ 22. Confirmation of Servian successes against Austria.
- „ 23. Japan at war with Germany. Russian successes in East Prussia.
- „ 25. Battle of Charleroi and retirement of Allies.
- „ 27. Further retirement of Allies towards Paris.
- „ 28. Naval engagement off Heligoland.
- „ 30. German check to Russian advance in Prussia. Germans said to have withdrawn reserves from Belgium to Russian front.
- Sept. 3. French Government transfers to Bordeaux. German front close to Paris. Russian double defeat of Austrians near Lemberg. Active recruiting of second 100,000 men.
- „ 4. Mr. Asquith's speech at the Guildhall.
- „ 5. Great Britain, France, and Russia: Convention of joint action when peace terms come to be considered.
Renewal of unrest in Turkey.
- „ 8. Check to German investment of Paris.
- „ 9. Announcement of 70,000 Indian troops for the front.
- „ 10. King's message to the Empire.
- „ 5 to 12. Germans thrown back from Marne-Verdun line.
Austrian defeats by Russians and Servians.
- „ 12. Reported Italian operations in Albania.
- „ 14. German Western Armies reform along the Aisne. A fresh series of battles commences along some 90 miles.
- „ 18. Parliament prorogued to October 27. King's Speech.
- „ 21. Agitation for action in Italy, Roumania, and Bulgaria.
- „ 23. Three British cruisers sunk by German submarines. Jaroslaw occupied by Russians.
- „ 24. Renewal of Russian advance in East Prussia.

See also Chronology in Stock Exchange Section.

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Mining Topics.

THE record of movements in the mining sections of the Stock markets have in the circumstances been quite satisfactory, and in several instances present quotations are higher than the closing prices of July 30, after taking into account dividend deductions from the prices. The instances of decline in prices most noticeable have been in respect of copper shares, but then this industry has been specially affected, it being necessary to damp down, or even altogether discontinue for a while, the production of big copper-producing enterprises. The decline in Mexico of El Oro shares is to be attributed to the revival of acute dissension in Mexico, General Villa having broken adrift from his former association with the now dominant General Carranza. General Villa is reported to have a large number of adherents. The section that has received most attention from the investing public is that for Rand mining shares, and for Eastern and deep-level descriptions in particular. We give below a contrast of prices with those on the last day the Stock Exchange was open, also with the "making-up" prices of the end and middle of July:—

	Make-up Mid-July	Make-up End July	Closing, July 30	Present Price
De Beers Deferred ...	16½	15½	13½	11
Jagersfontein ...	4½	3½	3½	3½
Premier Deferred ...	7½	7½	6	5½
Brakpan ...	22½	22½	2½	2xd
City and Suburban ...	2½	2½	2½xd	2½
City Deep ...	3½	3½	2½	2½xd
Consolidated Langlaagte ...	1½	1½	1½	1½xd
Crown Mines ...	6½	5½	5½	5½xd
East Rand Proprietary ...	1½	1½	1½	1½xd
Geduld ...	1½	1½	1	1
Government Areas ...	1½	1½	1	1
Meyer and Charlton ...	5½	5½	4½	4½xd
Modderfontein ...	13½	13½	11	11xd
" B ...	4½	4½	3½	3½xd
" Deep ...	2½	2½	2½	2½

	Make-up Mid-July	Make-up End July	Closing July 30	Present Price
Nourse Mines ...	1½	1½	1½	1½xd
Robinson Deep ...	1½	1½	1xd	1½
Rose Deep ...	2½	2½	1½	1½xd
Van Ryn... Deep ...	3½	2½	2½	2½
" Deep ...	2½	2½	1½	2xd
Village Deep ...	2½	1½	1½	1½xd
Witwatersrand Deep ...	2½	2½	2	1½xd
" Gold (Knights) ...	3½	3½	2½	2½xd
Central Mining ...	8½	7½	6xd	6½
Consolidated Gold Fields ...	2½	2½	1½	1½
Johannesburg Cons. Invest. ...	19/9	19/0	16/6	16/9
Rand Mines ...	6½	5½	4½	4½xd
Chartered ...	17/9	16/0	13/3	13/0
Shamva ...	2½	2½	1½	2
Tanganyika ...	2½	1½	1½	1½
Gold Coast Amalgamated ...	2½	1½	1½	1½
Taqua ...	1½	1½	1½	1½
Golden Horse-Shoe ...	2½	2½	2½	2½
Ivanhoe ...	2½	2½	2½xd	2½
Alaska Treadwell ...	8½	6½	8	8½xd
Mexico El Oro ...	4½	4½	4½	4½
Tough-Oakes ...	s/s	1½	½	16/0
Champion Reef ...	11/0	10/9	10/6	10/0xd
Amalgamated Zinc ...	28/0	28/0	25/0	—
Broken Hill Proprietary ...	36/0	33/6	30/0	29/0
" North ...	53/0	51/0	45/0	2
" South ...	9	8½	7½	6½
Zinc Corporation ...	19/0	18/3	16/0	10/6
Kyshtim ...	2½	2½	1½	2
Russo-Asiatic ...	8	7½	4½	4½
Tanayik ...	4	3½	2½	2
Anaconda ...	6½	5½	5	4½
Monnt Lyell ...	23/9	23/6	1½	1½
Otavi ...	5½	4½	4½	4
Rio Tinto ...	69½	61	53	51
Utah ...	12	11½	10	10xd

Daggafontein.—In the middle of September 1914 the shaft of this Company, which was commenced to be sunk in November 1910, penetrated reef at about the expected depth of 3,570 feet. It is reported that the assays taken all round the shaft averaged a value of 8 dwt. over a stoping width of 40 inches. One must await further particulars to ascertain the true width and assay value of the reef itself. The test borehole, which met reef at 3,561 feet in February 1908, indicated about 24½ dwt. value over a reef thickness of 6 inches. This test was in respect of bore No. 7, in the immediate vicinity of which the shaft has been sunk.

JOHANNESBURG CONSOLIDATED.

On June 20 last this Company announced a dividend of 5 per cent., or the same as declared in each of the two previous years. Under ordinary circumstances this dividend would have been paid September 24, but with a view to safeguard the position the directors have decided to postpone the payment.

The text of the directors' report for the year to June 30, 1914, the full balance sheet, and the profit and loss statement are elsewhere advertised in our pages. Reference is made in the report to all classes of securities having depreciated consequent on unbroken continuance of acute market depression. The Company consequently for a third year in succession has had to face discomfort. In accordance with their usual custom, the directors have written down the value of such of the Company's securities as were in excess of the market quotation at June 30 last. The aggregate current value of the Company's shareholdings, which figure in the balance sheet for £3,221,784, compared with £3,436,465 a year previously, "is considerably greater than the amount at which they appear in the balance sheet." The fortunes of some of the mining undertakings with which the Company is associated have further

distinctly improved during the past year. This has especially been the case with the Van Ryn Deep, the Consolidated Langlaagte, and the Knights Company. The Government Areas (Modderfontein), where encouraging features as to developments have been shown, is likely to commence milling about November.

The £1 shares of the Company on July 30 were quoted 16s. 6d., and the present price is about 15s. 6d.

A contrast of the profit and loss accounts of each of the past four years is given below. The Company's official year ends on June 30:—

	1911 £	1912 £	1913 £	1914 £
Profits realised, dividends, rent, interest, commission, &c. !...	308,599	242,776	232,117	230,378
Balance brought forward ...	173,791	155,143	164,766	168,429
Total for appropriation ...	482,390	397,919	396,883	398,807
Administration, interest, &c. ...	30,997	35,653	30,954	30,782
Dividend ...	296,250 (7½ %)	197,500 (5 %)	197,500 (5 %)	*197,500 *(5 %)
Balance carried forward ...	327,247 155,143	233,153 184,766	228,454 168,429	228,282 170,525

The balance sheets as at June 30, 1912 and 1913, have shown as under:—

CAPITAL AND LIABILITIES.			
	1913 £	1914 £	
Capital issued ...	3,950,000	3,950,000	
Reserve fund ...	250,000	250,000	
Money on deposit and on loan, bills payable and other liabilities ...	717,834	474,636	
Dividend ...	197,500	197,500*	
Balance profit and loss ...	168,429	170,525	
	5,283,763	5,042,661	
ASSETS.			
	1913 £	1914 £	
Cash on hand and at bankers, also deposits ...	48,190	56,070	
Loans on market securities (at short call) ...	711,364	590,750	
Sundry debtors ...	259,349	285,545	
Loans to mining companies and investments in mining properties ...	64,884	63,425	
Loans on bonds on real estate ...	104,074	168,534	
Investments in real estate, &c. ...	661,888	650,838	
Investments in stocks and shares in mining, industrial and other undertakings ...	3,436,465	3,221,784	
Sundries ...	6,549	5,605	
	5,283,763	5,042,661	

* Postponed.

Kyshtim.—This Company declared a dividend of 3s. per share prior to the war disturbance. It then announced a deferment of the distribution. On September 24 the directors decided to make an immediate payment of 1s. 6d., and to defer to later the distribution of the remaining 1s. 6d. per share.

TANALYK CORPORATION.

In the middle of July the price of Tanalyk shares was slightly above £4 per £1 share; the nominal quotation at the present moment is but about half that amount. This is not attributable to any discovery of demerits; it has simply arisen from the war situation. And so remarkable a drop appears to be altogether excessive, even had there been disappointment as to ore showings—which there is not. We have intermittently in recent months mentioned the encouraging discoveries that have been made at different points in the Company's very large property, approximately 200 miles to the south of the Kyshtim property. Highly profitable results have been secured from Kyshtim, though its ore is of a quality much inferior in total copper plus precious metal value to that reported in respect of Tanalyk. The recent Tanalyk showings have been of most encouraging character both as to ore bodies and construction work. In sequence the smelting plant to north is now connected by eight and a half miles of railway with Simenonsky and three and a half miles further south with the Mambet mine; coal area some 12 miles further south is to be connected by railway extension now being surveyed.

It is to be recollected that the Tanalyk has passed from the stage of being a mere prospect. Proof has been afforded by actual operations of payable deposits

—there are several "mines" in the Company's area—and we understand that the small quantities that have till now been dealt with by the first unit of plant have been very much more valuable in character than even the most optimistic people could have expected. The grade of the copper deposit, it is true, is a low one, but the "mines" are of such peculiar character that the copper, so far as operations have as yet been conducted, is but about 40 per cent. of the total value extracted from the ore. The other 60 per cent. value comprises the gold and silver that exist along with the copper. The deposits were initiated to be worked for copper contents, plus a small amount of gold and silver. Such deposits are extensive. But near to them are other deposits, which in the oxidised zone have all the copper leached out for a depth of 40 to 50 feet. Of such deposits one—the Semeonoffsky—that has been first attacked furnishes hard outcrop oxidised formation of iron capping suitable to be used as a flux. Usually in copper-mining operations flux is material that is bare of any metal value, but the iron capping ore in Tanalyk region contains gold.

The ore crushed and calcined in the August period was 1,762 tons, the average assay value in gold being .37 oz. (7.4 dwt.). The total quantity of material smelted—1,762 tons ore plus about 352 tons, say 20 per cent., of flux—was 2,114 tons, from which was secured in round figures 30 tons of metal that yielded, besides the copper, 874 oz. gold. The 1,762 tons of ore assayed .37 oz. gold, so the yield from 2,114 tons smelted—ore with flux—points to the conclusion that the gold secured from the flux used was 222 oz., or a yield—not assay—of .63 oz. (12.6 dwt.) per ton of the iron capping used as flux. Probably the ore gave less and the flux more than the respective figures of 7.4 and 12.6 dwt. per ton.

The copper ores, after calcination, are treated in reverberatory furnaces for the production of crude copper-bearing material known as matte, comprising metal mixed with refuse. This matte is finally treated in converters for the extraction of "blister"—virtually pure—copper. The first unit of plant of the reverberatory furnaces so far has dealt with copper ore of soft character. Investigations are being made as to the geological character of the region to ascertain whether, looking to a future of large operations, it will be the right course to add to the furnace plant by additional reverberatory furnaces, for in case hard ore exists in large quantity the simpler process of smelting in ordinary blast furnaces will be more economical to operate with. The erection of ordinary furnaces entails, for same quantity of ore to be dealt with, about one-half the capital expenditure that is incurred in the erection of reverberatory furnaces. But let that pass, for it is a matter that will take some time to decide upon.

The Tanalyk's first unit of reverberatory furnace plant has only made a commencement and has a capacity to smelt more than 4,000 tons of ore a month. Such quantity when dealt with, if it comprises only ore of about 2 per cent. copper contents, and only 1.7 per cent. of copper per ton of ore is extracted, would yield 68 tons of copper metal. It is to be recognised that this is but a small scale of production, though a very respectable one for a Company which has but recently made a start. The copper that the Company produces is in strong request in Russia at the price now of about £100 per ton.

The copper being produced is found, both from the contents of the royal metal in the copper ore and also the gold contained in the flux, to yield the extraordinary equivalent of over 29 ounces of gold for each ton of metal obtained. Further, though a minor point, each ton of copper secured has yielded about 220 ounces of silver. Such was the rate of yield in respect of a five weeks' run to August 15, and more recent work has shown even richer gold results.

A statement of this character may perhaps scarcely be grasped as to its significance. If 4,000 tons of

ore to be treated monthly in the reverberatory furnaces, plus an admixture of about 20 per cent. of the gold-bearing iron capping flux that is used in obtaining the metal, extract 1.7 per cent. of copper, the production would be, say, 68 tons of the red metal. Now these 68 tons of copper contain 29.1 ounces of gold and 220 ounces of silver *per ton of metal*; consequently to add to the value of 68 tons of copper we have 1,973 ounces of gold and 13,600 ounces of silver. We will now sum up the money value of the copper, gold, and silver obtained each month, but before doing so it is necessary to caution people against accepting such phenomenal results as likely indefinitely to continue. As, however, these results are really being obtained as to value per ton, though it would be unwise to build upon such high values, we give the calculations:—

Value of Contents of 4,000 Tons of Ore according to Results shown as to Extraction of August 1914.

68 tons of copper contents at £90 per ton	...	...	...	6,120
29.1 oz. gold per ton of copper = 1,973 oz. at £4 per oz.	...	...	...	7,892
Say 200 oz. silver per ton of copper = 13,600 oz. at 2s. per oz.	...	...	...	1,360
Total value for production of a month	...	...	...	15,372
68 tons of copper with gold and silver: value per ton, £226.	...	...	...

The approximate cost "all in" of producing copper ore at Kyshtim, that in 1913 turned out about 8,000 tons of metal, is estimated in the present circumstances to be about £33 per ton. Of course, something very much higher than this rate per ton will have to be put down as cost in respect of Tanalyk, a new entrant as a producer, and making a commencement on a comparatively small scale.

The ore already accumulated at the mines and crushers equals eight or nine months' supply ahead, used at 4,000 tons a month, and the quantity now being raised is well over 3,000 tons a month during a period when the bulk of the hoisting is of ore from development work.

If results such as above instanced in respect of one month's full mill capacity—first unit only—are continued, a yearly gross output of just on £185,000, from but a first unit will be a very respectable showing. But the point of view of gold and silver values found with the copper is a most important one to bear in mind.

Cobalt Mines.—The effect of the war on the Cobalt silver mines is disclosed in a circular dated September 1, issued by the Beaver Consolidated Mines, Limited, which states: "Since July 30 there has been no official price quoted on silver, although some sales have been made. Smelters have been at a loss on what basis to make settlements since that date, and are yet in a very uncertain state regarding price. On August 4 we received notification from the smelter to discontinue shipments until further notice, so that, having no market for our product, on August 8 last we deemed it advisable to close the mines until a definite policy should become known and a regular market for bullion established. Other mines in the Cobalt Camp have closed also, while some have cut down their working force to a very large extent."

ALASKA TREADWELL.

This Company announces a bonus dividend of 75 cents per \$25 share, and as there was no corresponding dividend a year ago the inference is that the Company is doing well. A comparison of the dividends paid this year and last year is as follows:—

Dividend Distributions.			
Date Payable	1913	Date Payable	1914
	\$		\$
February 28	1	February 28	1
May 28	1	May 28	1
August 28	1	June 29 (bonus)	0.75
November 28	1	August 28	1
December 29 (bonus)	1	September 28 (bonus)	0.75
Total for year	5=20%	Total (to date)	4.50=18%

Thus whereas for the first nine months of the current year the dividends have totalled \$4½ per share, including two bonuses aggregating \$1½, the total distribution for the whole of 1913 amounted to \$5, including one bonus of \$1. In the next three months, judging from previous practice, there may be a further dividend and another bonus on account of the current year, so that it seems fairly certain that the total of the 1914 dividends will exceed the 1913 distribution. The operating results of the first eight months of 1914 have shown very distinct improvement. With a higher grade of ore and lower working costs the profit per ton has increased considerably. This will be observed from the following comparison of the operating results of the eight months of the current year with the whole of 1913:—

	Ore Milled Tons	Gold Yield per Ton	Total Working Costs per Ton	Net Mining Profit—Per Ton
		s. d.	s. d.	s. d.
Year 1913	886,057	10 8	5 0	249,575
8 months, 1914	621,581	10 11	4 3	206,717

The August 1914 result was the best obtained for a long while past, the grade being as high as 15s. 2d., working expenses 4s. 7d., and the working profit 10s. 7d. per ton.

After payment of sundry expenses the net profit of 1913 amounted to £244,687, but as the large sum of £80,041 was applied to depreciation, the balance available was £164,646. The total 20 per cent. dividend for 1913 called for £200,000. The difference of £35,354 required to meet the dividend was obtained from the amount of £45,000 brought forward from 1912, and the carry-forward to the current year was thus reduced to £9,646. Probably in respect of 1914 it will not be considered necessary to again apply such large sums out of profit to depreciation as provided in the past three years, as the financial position of the Company is a very strong one, the surplus liquid assets at end 1913 amounting to nearly £150,000, against an issued capital of £1,000,000.

As regards the mine, the ore reserves at end 1913 amounted to over 6,000,000 tons, or seven years' supply for the mill—a position that appears certain to be further strengthened when the new mine below the 2,100-foot level is opened up.

The latest price of the Company's \$25 or £5 share is 8½, so that on the basis of the 1913 rate of dividend—which looks like being considerably increased in respect of the current year—the yield afforded works out at over 12 per cent. In view of the strength of the financial position and of the ore reserves the shares are well worth holding.

Anaconda.—The official announcement is made of a cut in the quarterly dividend to 25 cents, against the recent regular quarterly distributions of 75 cents per share. It is to be remembered the reduction of dividend and great curtailment of mining operations of the Anaconda affected the Amalgamated Copper Company, which holds a majority control of the Anaconda's share capital.

Incorporated
A.D. 1720



Head Office:
ROYAL EXCHANGE,
LONDON, E.C.

ROYAL EXCHANGE

ASSURANCE CORPORATION.

Fire, Life, Sea,
Accidents, Motor Car,
Plate-Glass, Burglary,
Employers Liability,
Live Stock, Third Party,
Fidelity Guarantees.

Annuities.
Special Terms
are granted in
cases where health
is impaired.

The Corporation is prepared to act as TRUSTEE and EXECUTOR.
Apply for full particulars of all classes of Insurance to the Secretary—
Head Office: ROYAL EXCHANGE, LONDON, E.C.
West End Branch: 44 FILL MALL, S.W.

TABULAR APPENDIX.

I.—BANK RETURNS.

BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 23, 1914.

Issue Department.

Notes Issued	£69,477,700	Government Debt	£11,016,100
		Other Securities	7,434,900
		Gold Coin and Bullion	51,027,700
	£69,477,700		£69,477,700

Banking Department.

Proprietors' Capital	£14,653,000	Government Securities	£25,682,087
Reserve	3,820,269	Other Securities	110,732,658
Public Deposits	28,672,610	Notes	35,274,840
Other Deposits	125,287,316	Gold and Silver Coin	845,359
Seven-day and other Bills	11,850		
	£172,335,044		£172,335,044

Comparison with Four Previous Weeks.

[In £'s sterling—00,000's omitted.]

Date, 1914.	Circulation.	Cash.	Deposits.	Securities.	Bank Rate.	3 Mths' Rate.
			Public.	Other.	Govt.	Other.
Aug. 28	35.6	43.5	23.9	123.9	29.8	109.9
Sept. 2	35.3	47.8	28.7	133.8	28.0	121.8
— 9	35.2	47.5	24.4	131.0	25.7	117.0
— 16	34.6	49.7	18.6	135.0	25.7	113.8
— 23	34.2	51.6	28.7	125.3	25.7	110.7

* August 8, 1914.

CURRENCY NOTE ISSUE.—The amount of currency notes issued and in circulation is as follows:—

I.—Issue Account.

Date 1914	Notes Issued	Notes Cancelled	Notes Outstanding
Aug. 26 ...	23,209,617	1,665,553	21,533,064
Sept. 2 ...	4,103,218	481,796	25,156,486
— 9 ...	2,991,300	1,044,659	27,113,127
— 16 ...	1,615,000	1,311,196	27,416,931
— 23 ...	1,246,500	942,037	27,721,394

II.—Balance Sheet, Sept. 23, 1914.

Notes outstanding	£	Advances—	£
27,721,394		Scottish and Irish Banks of Issue	—
		Other Bankers	1,159,200
		P. G. Savings Bank	2,250,000
		Trustee Savings Banks	1,359,000
		Currency Note Redemption A/c	—
		Gold Coin and Bullion	4,000,000
		Government Securities	10,923,546
		Balance at Bank of England	8,038,643
	£27,721,394		£27,721,394

BULLION.—The Bullion movements at the Bank of England have been as follows:—

1914.	Arrivals.	Withdrawals.
Sept. 17, Thursday ...	918,000 bars. 620,000 U.S. coin.	Nil.
— 18, Friday ...	129,000 bars. 222,000 U.S. coin.	Nil.
— 19, Saturday ...	472,000 U.S. coin. 7,000 bars.	Nil.
— 21, Monday ...	28,000 bars. 38,000 bars.	Nil.
— 22, Tuesday ...	97,000 U.S. coin. 186,000 U.S. coin.	500,000*
— 23, Wednesday ...	7,000 bars.	
Total for week ...	2,724,000	500,000
Net aggregate ...	[2,224,000 influx for week.]	
Sept. 24, Thursday ...	1,002,000 bars. 71,000 U.S. coin.	Nil.
— 25, Friday ...	273,000 U.S. coin. 79,000 bars.	Nil.

Currency Note Redemption Account.

Gold.—From Messrs. PIXLEY & ABELL'S Circular, Sept. 24, 1914.

£34,000 in bar gold arrived this week, and goes to the Bank of England. Since our last the Bank has received £1,211,000 in bar gold and £1,048,000 in United States gold coin, while £500,000 has been set aside on account of the Treasury Note Redemption Fund. Imports: South America, £30,500; Australia, £3,500.—Total, £34,000.

Comparison of Bank Returns, Exchanges, Prices, &c.

Bank of England (in £'s sterling, 00,000's omitted):	1904	1911	1912	1913	1914
Circulation	£27.8	£29.1	£28.8	£28.6	£34.2
Public Deposits	8.7	12.2	16.9	10.2	28.7
Private Deposits	40.5	43.7	44.0	41.9	125.3
Government Securities	14.2	14.1	13.4	12.4	25.7
Other Securities	24.3	29.2	34.6	27.6	110.7
Reserve	29.0	30.9	31.3	30.5	35.9
Ratio to Liabilities	58.3%	55.34%	51.39%	53.34%	25.33%
Bullion (both Departments)	38.4	41.6	41.7	40.7	51.7
Money:					
Bank of England Rate	3%	4%	4%	4½%	5%
Bank of France Rate	3%	3½%	3%	4%	5%
Rate 3 months' Bills London ...	2½%	3½%	3½-2%	4½%	3½%
Exchanges:					
Paris Cheque	25 21½	25 14½	25 28½	25 25	25 35
Hamburg 8 days	20 40	20 49½	20 43	20 40½	nom.
New York 60 days	4 83½	4 83-20	4 82-10	4 82	nom.
Bombay Telegraphic Transfers ..	1/3½	1/4½	1/4½	1/4½	1/3½
Prices:					
Consols 2½ % Cash	88½	77½	74½	73½	69½d
French Rente 3 % Money	97 80	94 15	90 90	88 67	74
Silver, London spot	-126½	-124½	-129½	-128½	-124½
Wheat, Gazette average	29/7	32/4	32/7	31/7	38/3
Ottom. Mid. Upland	-16/6½d.	-16/11	-16/6½	-17/83	-6/55
Iron, Scotch pig	50/3	52/3	72/7½	69/4½	67/1½

FOREIGN BANKS.

[In £'s sterling—000's omitted.]

AUSTRIA- HUNGARY	Cash.			Ad- vances.	Note Circulation.		Other Secur- ities.
	Gold.	Silver.	Total.		Amount.	Above—or beneath a legal max.	
July 7, '14 ...	£52,119	£12,047	£64,166	£8,310	£84,054	— 2,389	£34,670
July 15, '14 ...	51,966	12,066	64,132	7,934	90,517	+ 1,016	32,208
July 23, '14 ...	51,578	12,141	63,718	7,772	88,740	+ 2,479	31,993
July 23, '13 ...	50,579	10,794	61,373	9,305	90,527	— 1,655	32,720
July 23, '12 ...	51,631	12,272	63,903	5,062	87,878	+ 3,024	30,477
BELGIUM.	Gold.	Cash. Silver.	Total.	Discounts.	Circu- lation.	Deposits.	
July 23, 1914...	£10,465	£2,763	£13,228	£28,155	£39,056	£3,452	
July 30, 1914...	10,468	2,241	12,707	33,483	44,768	4,969	
Aug. 6, 1914...	10,977	633	11,610	41,925	51,800	6,283	
Aug. 7, 1913...	9,453	2,770	12,223	27,835	39,460	4,665	
Aug. 8, 1912...	8,076	2,699	10,775	25,865	37,108	4,051	
DENMARK.	Coin and Bullion.	Discounts.	Balance Abroad.	Secur- ities.	Circu- lation.	Deposits.	
June 30, 1914 ...	£4,565	£5,309	£1,102	£602	£8,879	£284	
July 31, 1914 ...	4,352	6,197	788	588	8,693	47	
Aug. 31, 1914 ...	4,150	8,175	1,395	588	10,788	625	
Aug. 30, 1913 ...	4,154	4,816	1,111	511	8,036	58	
Aug. 31, 1912 ...	3,977	4,739	966	531	7,665	49	
FRANCE.	Gold.	Cash. Silver.	Total.	Bills.	Circu- lation.	Public Deposits.	Private Deposits.
July 16, 1914...	£163,707	£28,407	£190,114	£64,632	£241,787	£11,596	£37,161
July 23, 1914...	164,176	25,584	189,760	61,643	236,476	16,024	37,719
July 30, 1914...	165,654	25,013	190,667	97,768	287,327	15,302	37,930
July 31, 1913...	134,489	25,095	159,584	73,616	227,073	15,523	26,267
Aug. 1, 1912...	131,467	32,071	163,538	61,649	209,587	11,632	25,877
GER- MANY.	Gold.	Cash. Silver.	Total.	Loans & Dis- counts.	Amount.	Above—or beneath a legal max.	Deposits.
Aug. 31, '14...	£77,825	£4,114	£81,939	£242,749	£211,744	—	£122,067
Sept. 7, '14...	79,007	1,987	80,994	239,429	206,903	—	120,947
Sept. 15, '14...	80,684	2,348	83,032	238,967	202,680	—	124,713
Sept. 15, '13...	58,520	13,734	72,254	50,555	91,872	+ 11,655	36,218
Sept. 14, '12...	46,253	16,137	62,390	63,258	83,469	+ 9,940	41,452
HOLLAND.	Gold.	Cash. Silver.	Total.	Dis- counts.	Ad- vances.	Circu- lation.	De- posits.
Aug. 29, 1914 ...	£13,512	£192	£13,704	£15,009	£11,349	£37,019	£2,513
Sept. 5, 1914 ...	13,517	226	13,743	15,539	10,512	£37,099	2,462
Sept. 12, 1914 ...	13,398	366	13,764	15,144	10,708	37,068	2,303
Sept. 13, 1913 ...	12,276	656	12,932	5,592	7,281	25,487	252
Sept. 14, 1912 ...	12,194	684	12,878	7,058	6,516	24,561	316
ITALY.	Cash.	Inland Bills.	Foreign Bills.	Ad- vances.	Secur- ities.	Circu- lation.	Deposits.
July 31, '14 ...	£48,456	£20,416	£3,033	£4,601	£8,167	£69,204	£8,887
Aug. 10, '14 ...	47,456	30,457	3,110	7,248	8,180	83,473	9,350
Aug. 20, '14 ...	49,264	33,608	3,257	6,309	8,177	83,641	12,034
Aug. 20, '13 ...	49,162	17,204	2,899	3,151	5,492	65,786	8,297
Aug. 20, '12 ...	46,024	16,990	2,903	3,927	6,612	65,339	7,489
N. YORK BANKS & TRUSTS.	Loans and Dis- counts.	Specie.	Reserve. Legal Tenders.	Total.	Deposits.	Circu- lation.	On- hand Surplus Reserve.
Sept. 5, '14 ...	£427,392	£63,218	£14,984	£78,202	£380,478	£22,872	Def. 7,426
Sept. 12, '14 ...	432,598	64,168	15,318	79,486	384,058	24,604	Def. 7,014
Sept. 19, '14 ...	446,060	64,100	17,640	81,740	396,840	25,940	Def. 7,680
Sept. 20, '13 ...	399,237	66,536	15,750	82,286	356,918	9,034	1,738
Sept. 21, '12 ...	335,303	66,010	16,468	82,653	363,508	9,208	1,320
NORWAY.	Gold.	Balance Abroad.	Foreign Govt. Securities.	Dis- counts & Loans.	Circu- lation.	Deposits.	
Aug. 31, 1914...	£3,118	£1,302	£496	£6,514	£7,726	£1,154	
Sept. 7, 1914...	3,059	1,289	496	6,477	7,597	1,141	
Sept. 15, 1914...	2,749	1,558	496	6,269	7,377	1,247	
Sept. 15, 1913...	2,566	1,755	504	3,872	5,814	442	
Sept. 15, 1912...	2,163	1,422	518	3,389	5,326	369	
RUSSIA.	Gold.	Cash. Silver.	Total.	Notes in Reserve.	Loans & Dis- counts.	Circu- lation.	Total Deposits.
Aug. 28, '14...	£172,433	£5,866	£178,299	£9,360	£121,433	£243,139	£95,792
Sept. 5, '14...	172,713	5,711	178,424	8,261	134,889	251,738	96,019
Sept. 14, '14...	178,949	5,508	184,455	7,142	137,293	255,357	95,713
Sept. 14, '13...	163,552	7,112	170,664	5,355	97,955	157,145	106,027
Sept. 14, '12...	156,161	7,817	163,778	6,686	67,606	140,814	92,427
SPAIN.	Gold.	Cash. Silver.	Total.	Loans, &c.	Spanish 4 %	Circu- lation.	Deposits, &c.
Aug. 29, '14...	£21,818	£27,438	£49,254	£47,032	£13,778	£79,887	£21,625
Sept. 5, '14...	21,823	27,184	49,007	48,360	13,778	80,745	22,092
Sept. 12, '14...	21,887	27,160	49,047	48,840	13,778	80,640	22,545
Sept. 13, '13...	18,598	29,665	48,263	40,040	13,778	75,850	16,365
Sept. 14, '12...	17,123	29,340	47,083	39,756	13,778	73,393	16,467
SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt Secs.	Dis- counts & Loans.	Circu- lation.	Deposits.	
Aug. 29, '14 ...	£5,734	£2,926	£144	£9,336	£15,032	£3,904	
Sept. 5, '14 ...	5,736	3,373	144	9,059	15,678	3,554	
Sept. 12, '14 ...	5,737	3,033	707	8,845	15,458	3,882	
Sept. 13, '13 ...	5,701	4,048	1,264	7,232	11,906	2,576	
Sept. 14, '12 ...	5,414	5,315	1,315	6,210	11,487	2,705	
SWITZER- LAND.	Gold.	Cash. Silver.	Total.	Discounts & Advances.	Circu- lation.	De- posits.	
Aug. 29, 1914...	£8,601	£298	£8,899	£12,862	£18,097	£2,767	
Sept. 7, 1914...	8,675	324	8,999	12,487	17,847	3,329	
Sept. 15, 1914...	8,819	366	9,185	12,167	17,506	3,638	
Sept. 15, 1913...	6,783	1,243	8,025	4,600	10,782	2,059	
Sept. 14, 1912...	7,031	590	7,621	5,167	10,817	2,009	

ARGENTINA—Gold in Oja de Con-

Conversion (at 4s. per peso).	
1914—July 18	240,725.375
" 25	39,898.202
" 30	39,884.523
Aug. 6	38,900.000
" 13	44,328.813
" 18	44,331.826
" 25	44,322.256

BRAZIL—Gold in Oja de Con-

Conversion (at 16d. per milreis).	
1914—July 11	£11,639,881
" 18	11,136,592
" 25	10,945,617
Aug. 1	10,456,256
" 3	10,374,281
1913—Dec. 31	20,721,521
Feb. 12 (maximum)	26,772,300

II.—FOREIGN RATES OF DISCOUNT.**Comparison of Bank Rates.**

Date.	Paris.	Berlin.	Amsterdam.	Brussels.	Vienna.
Sept. 24, 1914	5s	6s	5s	7d	8s
Sept. 25, 1913	4s	6s	5s	6s	8s

a Aug. 20, '14.	b Aug. 1, '14.	c Aug. 20, '14.	d Aug. 3, '14.	e Aug. 1, '14.
f Oct. 31, '12.	g Nov. 14, '12.	h June 25, '13.	i Oct. 16, '12.	j Nov. 15, '12.

Comparison of Market Rates.

Date.	Paris.	Berlin.	New York.	Amster-	Brussels.	Vienna.
July 16, '14	24 1/2	24 1/2	3 1/2	4 1/2	3 1/2	3 1/2
July 23, '14	24 1/2	24 1/2	3 1/2	4 1/2	3 1/2	3 1/2
July 30, '14	3 1/2	4	5 1/2	5	Closed	Closed
Sept. 25, '13	3 1/2	5 1/2	5 1/2	4 1/2	4 1/2	5 1/2

NOTE.—New York, Sept. 24, 1914, Prime Paper, 7%.

III.—FOREIGN EXCHANGES.**Course of Exchange.**

LONDON ON—	Sept. 24, '14	July 30, '14	July 23, '14	Sept. 25, '13
Amsterdam	Cheques 12d. 07 1/2	12s. 3 1/2	12s. 3 1/2	12s. 3 1/2
Antwerp	3 months 25f. 02 1/2	—	25f. 6s.	25f. 73 1/2
Berlin	do. —	—	20m. 67p.	20m. 75p.
Genoa	do. 27 1/2	30s.	25f. 6s.	25f. 8s.
Hamburg	do. —	—	20m. 67p.	20m. 75p.
Liège	do. —	—	46d.	44 1/2
Madrid	do. 46 3/4	—	45 1/2	43 1/2
Paris	Cheques 25f. 37 1/2	24f. 92 1/2	25f. 1 1/2	25f. 25 1/2
Petrograd	do. 3 months 25f. 7s.	—	25f. 38 1/2	25f. 52 1/2
Vienna	do. —	—	24 1/2	24 1/2

Foreign Rates of Exchange on London, &c.

	Sept. 24, '14	Sept. 17, '14	Sept. 10, '14	Sept. 25, '13
Alexandria	Sight 96 1/2	86 1/2	96 1/2	97 1/2
Amsterdam	Sight 12d. 07 1/2	12d. 15s.	12d. 25s.	12d. 1 1/2
Berlin	Sight —	—	20m. 42 1/2	20m. 42 1/2
Antwerp	Cheques 27f. 55c.	25f. 50c.	26f. 50c.	26f. 40 1/2
Buenos Ayres	80 days 48 1/2	49 1/2	49 1/2	47 1/2
Calcutta	Telegraph 1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 4 1/2
Constantinople	Bank 3m. 8 days —	—	110 1/2	110 1/2
Hong Kong	Transfers 1s. 8 1/2	1s. 8 1/2	1s. 9 1/2	2s. 0 1/2
Italy	Sight 26 1/2	26 1/2	26 1/2	26 1/2
Japan	Transfers 2s. 0 1/2	2s. 0 1/2	2s. 0 1/2	2s. 0 1/2
Madrid	Sight 25p. 60	24p. 90	24p. 50	26p. 90
Mexico	Gold prem. 1 1/4	—	—	8 1/2
Montevideo	Sight 52 1/2	52 1/2	52 1/2	51 1/2
New York	90 days 52 1/2	52 1/2	52 1/2	51 1/2
—	60 days 52 1/2	52 1/2	52 1/2	51 1/2
—	Cables 84 90c.	84 97 1/2	84 97 1/2	84 97 1/2
Paris	Cheques 25f. 35c.	25f. 35c.	25f. 35c.	25f. 35c.
Rio de Janeiro	80 days 11 1/2	—	11 1/2	11 1/2
Petrograd	3 months 115r. 00	111r. 50	107r. 50	94r. 00
Shanghai	Transfers 2s. 3 1/2	2s. 3 1/2	2s. 4 1/2	2s. 9 1/2
Straits	Transfers 2s. 3 1/2	2s. 3 1/2	2s. 4 1/2	2s. 9 1/2
Valparaiso	80 days 7 1/2	8 1/2	8 1/2	9 1/2
Vienna	Short 77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Gold, standard, per oz.	78s. 4d.	76s. 4d.	78s. 4d.	78s. 4d.
U. S. Gold coin, per oz.	24 1/2	23 1/2	24 1/2	24 1/2
Bar Silver (.925), per oz.	27d. nom.	27d. nom.	27d. nom.	27d. nom.
Mexican Dollars	—	—	—	—

* Following day's rates.

IV.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Incr. or Dec.	1914 Aug.	Incr. or Dec.
BIRMINGHAM	Sept. 19	1,019,456	—	57,542,895	+ 2,176,147
BRISTOL	" 19	596,000	—	26,463,000	+ 692,000
DUBLIN	" 19	3,052,800	+ 73,600	124,773,100	+ 1,300,400
LEEDS	" 19	339,754	—	15,778	+ 597,684
LIVERPOOL	" 19	238,372	+ 27,410	11,365,951	+ 447,007
MANCHESTER	" 19	3,534,938	+ 468,788	172,137,531	+ 589,995
NEWCASTLE	" 19	4,096,542	+ 1,951,283	248,240,085	+ 19,549,183
NOTTINGHAM	" 19	945,400	+ 72,800	43,877,750	+ 1,399,190
SHEFFIELD	" 19	293,649	+ 15,297	19,054,863	+ 883,609
TOTAL	" 19	14,288,693	+ 2,525,772	734,115,240	+ 21,996,432

WEEKLY AVER.	1914	1913	1912
WEEKLY AVER.	1914	1913	1912
WEEKLY AVER.	1914	1913	1912
WEEKLY AVER.	1914	1913	1912

LONDON—	1914.	1913.	1912.
TOWN	160,539	69,490	9,863,478
METROPOLITAN	12,892	121	833,944
COUNTRY	21,413	1,239	1,000,109
TOTAL	184,844	70,850	11,497,529

The following special items are included in the London clearing:—

STOCK EXCHANGE	SETTLING DAYS.	ONSOLA	SETTLING DAYS.	"FOURTH" OF THE	MONTH.
1914.	£	+ or -	1914	£	+ or -
June 26	84,137	+ 4,289	May 6	53,673	+ 2,090
July 10	98,835	+ 16,329	June 2	74,323	+ 2,023
July 29	102,328	+ 15,032	July 1	97,369	+ 22,527
1914 Aug. 1	1,323,914	+ 55,015	1914 Aug. 1	515,566	+ 58,063

* Compared with a year ago.

V.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., the following are the quotations for representative steam freights:—

HOMEWARDS.	1814.	1813.	Homewards—continued.	1914.	1913.
Alexandria to London	10/6	—	U.S. Atl. Ports to L.H.B.	—	33/6
Australia to U.K.	33/6	—	U.S. to U.K. (gr.)	2/3	2/6
Adoff to L.H.A.R.	18/0	13/3	N.O. to U.K. (gr.)	3/6	3/6
Bombay to pp.	d.w. 20/3	23/0	—	—	—
Burmah co.	28/0	—	—	—	—
Calcutta to pp.	d.w. 32/8	28/0	—	—	—
Danube to A.R.	13/3	—	—	—	—
Odessa to L.H.A.R.	11/9	—	—	—	—
R. Plate to U.K.	18/0	14/8	—	—	—

VI.—WHOLESALE COMMODITIES.—Approximate Prices and Position at latest dates for which statistics are available in comparison with corresponding dates in previous two years:—

	SEPT. 26.	1914.*	1913.	1912.
METALS.				
Iron—Scottish pig warrant	ton	57 1/2	60 1/4	77 1/2
—Middlebrook warrants	ton	61 1/2	64 1/4	67 1/2
—Hematite warrants	ton	68 0	67 3	81 9
—Staffordshire bars, London	ton	69	69 10	69 10
—Common bars	ton	68 2 1/2	67 10	68 7 1/2
—Stock, Scotch, Sept. 24	tons	1,000	1,065	1,000
—Middlebrook	tons	100,833	178,148	277,399
—W. C. hematite	tons	Nil	18,315	22,846
Steel Rails	ton	28 15	29 10	28 12 1/2
Copper Best Selected	ton	£57 5—£57 15	£78 15—£79 5	£83 5—£84 5
—Stock, Europe and coast	tons	34,801	28,011	45,636
—Tin—English Ingots	ton	2137	2198—2197	2233—2233 10
—Straits	ton	2136 10	2192	2231—2231 10
—Tinplates—Charcoal L.O.	box	13/0—13/6	13/14	15/7—15/9
Lead—Soft Foreign	ton	219 7/8	220	222 15—223
Spelter—Ord. Foreign	ton	nom.	£20 15—£21	£27 2/8—£27 5
—Silesian Ordinary	ton	—	£20 15	£27 2/8—£27 5
Quicksilver (75 lb.)	bottle	£7	£7 5	£8—£8 5
Aluminium	ton	£290—£291	£298—£298	£278—£280
Antimony—Regulus	ton	£236—£240	£228 10—£230 10	£230—£231
Coal—Best London	ton	20 0	21 6	21 0
—Steam (best) Newcastle	ton	13 1/8	14 9	13 0
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical cwt.	..	11/3	11/3	11/7 1/2
Soda—Crystals ex ship	..	£2 2/8—£2 5	£2 2/8—£2 5	£2 2/8—£2 5
Dyes—Coch. Tenerife Silver	..	2 0—2/3	1/10—2/0	1/9—2/3
Indigo—Rangoon good to fine	..	6/8—9/0	3/0—3/8	3/2—3/8
Linseed Oil—Sept. 24	..	£28	£23 10	£24 15
—Sect. Oct.	..	46/0	46/3	46/0
Olive Oil—Spanish	..	nom.	£48—£49	£52—£55
Palm Oil—Lagos	..	nom.	£38	£35
Petroleum—American	..	£38	£32	£33
Rape Oil—Refined English	..	29/8	35/0	34/3
Tallow—Brit. Town	..	31/8	29 7/8	30 7/8
Turpentine—Amer. Spirit	..	nom.	46/6	50/0
Rape Seed—Owens, brown 41 lb.	..	2/9	3/7	4/7 1/2
Rubber—Para. spot	..	2 1/4	2/3	4/6
—Pine plantation	..	11/021	9/559	7/318
—World's Stock, July	..	—	—	—
TEXTILES.				
Cotton—Mid. Upland	..	7/55	7/78	7/65
—Egyptian good fair	..	7/60	7/100	7/91
—Permanence, fair	..	7/68	7/77	7/69 1/2
—Mid. Upl. N. York	..	10/0	13/5	11/65
—Stock, Liverpool, Sept. 18	..	856,770	451,350	516,090
Flax—Petrograd Yarn, 18	..	—	235	237
Hemp—New Zealand	..	£25 10	£30	£28 10
—Manila, fair	..	£28 15	£30	£28 15
Jute—First Marks	..	£35	£35 5	£24 5
—Red 800	..	£31	£32	£22
Silk—Bine Elephant	..	11/3—11/6	10/9—11/0	10/3—10/6
Wool—Prt. Phillipwashed, 1b.	..	7/11—1/0	7/11—1/0	7/11—1/0
Leather—Dressing Hides	..	1/10—2/4	1/5—1/10	1/4—1/9
FOODSTUFFS, &c.				
Wheat—Viz. N. Y. Sept. 21 bus.	..	37,018,000	49,781,000	30,431,000
—Red, price, N. Y. 60 lb.	..	119c.	96c.	103 1/2
—Gazette, aver. price 480 lb. qr.	..	38/3	31/7	32/7
Flour—Lond. Whites M 11 280 lb.	..	38/0	30/0	31/0
Barley—Gaz. aver. price 400 lb. qr.	..	29/5	30/8	29/6
Hops—English	..	£6 5—£7	£10—£10 10	£10 15—£12
Oats—Gaz. aver. price 32 lb. qr.	..	23 8	17/11	19/10
Hay—Best	..	85/0—82/6	95/0—105/0	110/0—130/0
Maize—N. Y. (New bushel) 56 lb.	..	87c.	79c.	60c.
—La Plata	..	25 4 1/2	24 9	27/3
Potatoes—Kent	..	65/0—70/0	77/8	82/6
Rice—Imports since Jan. 1	..	21,733	9,408	15,479
—Deliveries do.	..	18,036	11,789	9,244
—Stock	..	5,392	4,984	8,207
—Price, Basella	..	62/0—90/0	82/0—87/0	71/0—77/0
Bacon, Irish	..	124/0—130/0	132/0—134/0	128/0—129/0
Butter, Danish	..	57/0—60/0	67/0—69/6	63/0—65/0
Cocoa, Grenada, good to fine cwt.	..	40,398	31,634	26,845
Coffee—Imports since Jan. 1 tons	..	11,425	11,162	12,281
—Home consumption do.	..	15,047	15,014	11,641
—Stock	..	20,892	13,840	13,599
—Price Costa Rica gd to fine cwt.	..	78/0—90/0	80/0—88/0	85/0—102/8
—Brazil (Santos)	..	—	45/0	63/9
Sugar—Impts. since Jan. 1 tons	..	519,050	668,887	571,331
—Deliveries do.	..	578,420	617,837	632,354
—Stock	..	52,541	104,722	79,540
—Price Java 99% Off Coast	..	—	10/7 1/2	11/6—11/9
—Tate's No. 1 Onbes	..	33/6	16/3	21/9
—French leaves, Sav's	..	—	14/6	16/10 1/2
Tea—Imports (to 8 mths.) lb.	..	198,247,056	183,483,545	194,920,788
—Home consumption do.	..	215,644,861	207,594,329	193,544,591
—Exports	..	33,537,451	36,605,994	30,000,796
—Stock, Aug. 31	..	83,426,000	82,223,000	96,343,000
—Price, Indian, Pek. Song, good lb.	..	—	7/8	7/8
—Ceylon, Pek. Song, Ord. lb.	..	—	7/8	7/8

* Quotations are latest available. Current prices not obtainable in all cases.

VII.—TRAMWAY AND OMNIBUS TRAFFIC RECEIPTS.

Name of Co.	Week.	Miles.	+ or -	Repts.	+ or -	W. Aggr. gte.	+ or -
Anglo-Arg.	Sept. 23	329	—	£ 4,101 1/2	7,332	38	2,039,290

VIII.—RAILWAY RECEIPTS.

AGGREGATE RECEIPTS 17 HOME RAILS, 31 WEEKS TO AUG. 2.

[In £'s sterling 000's omitted.]	Mileage		Passenger		Freight		Total	
	Aug. 2	+ or -	31 Wks	+ or -	31 Wks	+ or -	31 Wks	+ or -
Caledonian	1,449	—	£1,226	+ 33	£1,758	— 58	£3,024	— 25
Glasgow & S.W.	471	—	555	+ 10	619	— 23	1,174	— 13
Great Central	863	+ 13	770	+ 29	2,112	— 110	2,882	— 81
Great Eastern	1,207	—	1,852	+ 1	1,530	— 3	3,382	— 2
Great Northern	1,032	—	1,605	+ 7	2,302	— 17	3,907	— 10
Gt. S. & W. (Ireland) ..	1,130	—	442	+ 4	460	— 23	902	— 27
Great Western	2,984	+ 18	4,255	+ 90	4,701	+ 12	8,956	+ 102
Lanc. & Yorkshre	600	+ 3	1,678	+ 4	2,024	— 119	3,700	— 115
London & N.W.	2,034	+ 2	4,217	+ 50	5,150	— 151	9,367	— 101
London & S.W.	984	—	2,061	+ 5	985	— 7	3,056	— 12
Lon., Brighton & S.O.	487	—	1,516	+ 4	503	+ 1	2,019	+ 5
Midland	1,584	—	2,878	+ 40	5,289	— 124	8,167	— 84
North British	1,375	—	1,178	+ 20	1,843	— 43	3,019	— 23
North-Eastern	1,753	+ 2	2,270	+ 68	4,219	— 149	6,489	— 83
North London	16	—	88	+ 10	144	— 6	242	— 16
S.E. & Chatham Rys.	654	—	2,299	+ 1	695	+ 6	2,994	+ 7
Total for 31 weeks '14	18,126	+ 25	28,938	+ 338	34,344	— 814	63,280	— 478
Total for 31 weeks '13	17,910	+ 44	28,209	+ 1,702	34,861	+ 3,724	63,070	+ 5,426
31st wk. to Aug. 2, '14	18,126	+ 25	1,658	+ 19	1,121	— 30	2,779	— 49
31st wk. to Aug. 3, '13	17,916	+ 44	1,655	+ 33	1,140	— 3	2,795	+ 35

HOME.	Week to	Miles	Gross		Total	
			+ or -	+ or -	+ or -	+ or -
Barry	68	—	—	—	£510,174	— 5,753
Brec. & Mer.	61	—	—	—	80,993	+ 142
Caledonian	1,149	—	—	—	3,024,000	— 25,000
Cambrian	300	—	—	—	193,872	+ 2,300
Central Lond.	7	—	—	—	153,118	+ 2,378
City & S.Lond.	7	—	—	—	82,703	+ 5,243
Farness	139	—	—	—	323,601	— 16,834
Glasg. & S.W.	471	—	—	—	1,174,200	— 12,500
Gt. Central	811	+ 1	—	—	3,449,600	— 83,500
Gt. Eastern	1,207	—	—	—	3,382,200	— 2,700
Gt. N. of Scot.	336	—	—	—	318,840	+ 7,230
Gt. Northern	1,032	—	—	—	3,907,300	— 10,000
Gt. N. (Ire.)	561	—	24,085	+ 200	851,025	+ 1,795
Gt. S. & W. (Ire.) ..	1,130	—	35,305	— 83	1,150,249	— 32,589
Gt. Western	2,984	+ 18	—	—	8,956,000	+ 102,000
Highland	492	—	—	—	348,876	— 12,237
Hull & Barnsley	90	—	—	—	433,841	— 48,319
Lanc. & York.	600	+ 3	—	—	3,700,350	— 114,800
Lon. & N.W.	2,034	+ 2	—	—	9,367,000	— 101,000
Lon. & S.W.	984	—	—	—	2,056,400	— 11,700
Lon. Brighton	487	—	—	—	2,019,433	+ 5,786
Lon. Electric	211	—	—	—	432,635	+ 1,800
Mary. & Car.	42	—	—	—	60,402	+ 11,331
Mersey	4	—	—	—	69,071	+ 289
Metropolitan	82	—	—	—	568,081	+ 42,280
Met. District	25	—	—	—	406,451	+ 353
Midland	1,584	—	—	—	8,167,000	— 84,000
Mtd. Gt. W. (Ire.) ..	538	—	12,445	— 56	466,263	— 10,489
N. British	1,375	—	—	—	3,019,800	— 22,500
N. Eastern	1,753	+ 2	—	—	6,489,000	— 83,000
N. London	16	—	—	—	242,395	— 16,438
N. Staffordshire	207	—	—	—	620,180	— 17,670
Port Talbot	36	—	—	—	97,277	+ 3,692
Rhond. & Swan.	31	—	—	—	77,775	+ 2,351
Rhymney	50	—	—	—	228,812	— 8,715
S.E. & Chatham	654	—	—	—	2,494,348	+ 6,997
Taff Vale	124	—	—	—	644,099	— 9,580

INDIAN.			Rupees.		Rupees.	
			+ or -	+ or -	+ or -	+ or -
Assam Bengal	Aug. 15	851	+ 46	1,14,000	— 20,220	20
Bengal & N.W.	Aug. 15	2,028	— 2	2,78,280	— 13,183	20
Beng. Nagpur	Aug. 22	2,678	+ 107	5,41,000	— 97,000	21
Bomb. Baroda	Sept. 19	2,827	+ 53	8,22,000	— 2,73,000	25
Burma	Aug. 15	1,342	—	3,32,982	+ 16,330	20
East Indian	Sept. 19	2,720	+ 11	19,00,000	— 4,31,000	25
Gt. India-Pen.	Sept. 2	2,965	—	9,26,400	— 4,53,900	25
Madras & S.M.	Aug. 22	3,132	—	6,50,000	— 74,979	21
Nizam's Guar.	Aug. 22	797	—	1,32,368	— 35,339	21
South Indian	Aug. 22	1,762	+ 3	4,02,028	— 39,135	21
Union. Punjab	M. of Apr.	790	—	4,27,723	+ 1,63,543	1

COLONIAL.			Rupees.		Rupees.	
			+ or -	+ or -	+ or -	+ or -
Can. Northern	Sept. 21	4,670	+ 150	5,66,700	+ 73,500	11
Can. Pacific	Sept. 21	12,227	+ 568	2,57,000	— 191,000	11
Gd. Trk. Pacific	Sept. 14	1,104	—	434,437	+ 2,625	10
Grand Trunk	Sept. 21	4,008	—	1,79,946	— 10,895	11
Grd. Trunk W.	Sept. 21	336	—	31,376	+ 459	11
Det. Grd. Ha.	Sept. 21	189	—	11,173	— 87	11
Mashallah	M. of July	751	—	67,668	— 8,207	10
New Cape Cent.	Aug. 15	205	—	1,529	— 219	33
Rhodesia Rys.	M. of July	1,397	—	91,777	— 587	10

FOREIGN.						
Antofagasta	Sept. 20	819	+ 25	£ 14,060	— 9,980	38
Arg. N. East	Sept. 18	697	+ 2	£ 4,450	— 1,915	12
Arg. Transand	Aug. 15	111	—	£ 270	— 1,180	7
Brazil	M. of June	3,382	+ 99	£ 202,467	— 13,884	61
Paclista	M. of June	715	—	£ 118,867	— 30,794	61
Mogiana	M. of June	1,084	+ 24	£ 127,200	— 63	61
Md. Mamore	M. of June	226	—	£ 12,733	— 20,022	61
B.A. & Pacific	Sept. 19	3,518	+ 101	£ 55,000	— 27,000	12
B.A. Central	M. of May	190	+ 25	£ 17,800	— 7,500	11
B.A. Gt. So.	Sept. 20	3,729	+ 147	£ 59,000	— 26,000	12
B.A. Western	Sept. 20	1,792	+ 11	£ 37,000	— 15,000	12
Cent. Argentine	Sept. 18	3,262	+ 174	£ 102,000	— 22,300	12
Cent. Uruguay	Sept. 19	271	—	£ 7,386	— 3,086	12
" (E. Ext.)	Sept. 19	311	—	£ 2,068	— 1,223	12
" (W. Ext.)	Sept. 19	185	—	£ 1,214	— 829	12
" (N. Ext.)	Sept. 19	211	—	£ 1,050	— 666	12
Ord. Central	Sept. 19	1,186	—	£ 37,865	— 8,435	12
Cuban Central	Sept. 12	345	+ 8	£ 7,038	— 490	11
Egyptian Delta	Aug. 31	624	+ 1	£ 4,545	— 1,964	22
Entre Rios	Sept. 19	730	—	£ 7,800	— 2,200	12
Gt. W. of Brazil	Sept. 19	1,010	+ 6	£ 6,900	— 5,300	33
La Guaira & Ca.	M. of Aug.	23	—	£ 8,750	— 1,750	81
Leopoldina	Sept. 19	1,773	+ 72	£ 20,400	— 18,292	38
Manila North	Sept. 12	325	+ 21	£ 3,423	— 1,040	37
" South	Sept. 12	229	+ 54	£ 1,657	— 1,480	37
Mid Uruguay	M. of Aug.	319	—	£ 7,470	— 2,884	21
Nitrate (2 wks.)	Sept. 15	366	—	£ 11,882	— 18,317	36
N.W. Uruguay	M. of Aug.	113	—	£ 16,000	— 7,588	21
Ottoman	Sept. 19	379	—	£ 7,917	— 4,844	12
Paraguay Cent.	Sept. 19	255	+ 23	£ 2,050	— 630	12
Peruvian Corp.	M. of June	1,069	—	£ 100,341	— 18,999	12
Puerto Cabello	M. of July	24	—	£ 3,250	— 500	71
Salvador	Sept. 19	100	—	£ 13,750	— 9,250	12
Sau Paulo	Sept. 13	154	—	£ 18,082	— 42,292	11
Taitai	M. of Aug.	184	—	£ 18,965	— 8,355	21
U. of Havana	Sept. 19	681	+ 3	£ 18,179	— 710	12
Urog. E. Coast	July 25	73	—	£ 458	— 64	4
Urog. Northern	M. of Aug.	73	—	£ 1,298	— 793	21
W. of Havana	Sept. 19	147	—	£ 5,126	— 178	12
Zafra & Hlva.	M. of July	112	—	£ 13,818	— 3,384	71

GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Name.	Period.	Gross.	+ or -	Net.	+ or -
Alabama Gt. Southern ..	July	\$414,000	— \$22,000	\$101,000	— \$5,000
Atchafalaya, Top. & S. Fe.	12 mos. to June	6,385,000	+ 153,000	1,158,000	+ 253,000
Atlantic Coast Line	July	9,609,000	+ 468,000	2,871,000	+ 441,000
Baltimore & Ohio	12 mos. to June	11,110,000	+ 5,788,000	32,116,000	+ 2,476,000
Canadian Northern	12 mos. to June	2,538,000	+ 81,000	318,000	+ 19,000
Chesapeake & Ohio	Aug.	56,833,000	+ 929,000	9,054,000	+ 980,000
Chicago & N. Western	12 mos. to June	97,411,000	+ 4,144,000	25,357,000	+ 2,419,000
Chicago Great Western	July	1,594,300	+ 334,500	430,500	+ 83,800
Canadian Pacific	12 mos. to June	22,700,700	+ 278,800	6,351,700	+ 302,700
Chesapeake & Ohio	July	10,482,000	+ 1,611,000	3,778,000	+ 338,000
Chicago & N. Western	12 mos. to June	129,810,000	+ 9,581,000	42,426,000	+ 3,819,000
Chicago & N. Western	July	3,264,000	+ 340,000	935,000	+ 69,000
Chicago & N. Western	12 mos. to June	39,690,000	+ 1,605,000	11,036,000	+ 402,000
Chicago & N. Western	July	7,383,000	+ 233,000	1,918,000	+ 68,000
Chic. Burl. & Quincy	12 mos. to June	83,677,000	+ 642,000	20,065,000	+ 1,199,000
Chic. Burl. & Quincy	July	7,861,000	+ 39,000	2,419,000	+ 132,000
Chicago Great Western	11 mos. to May	85,239,000	+ 1,640,000	24,940,000	+ 1,642,000
Chic. Mil. & St. Paul	July	1,082,000	+ 121,000	213,000	+ 106,000
Chic. Mil. & St. Paul	12 mos. to June	14,260,000	+ 260,000	3,336,000	+ 322,000
Chic. Mil. & St. Paul	July	7,825,000	+ 98,000	2,384,000	+ 154,000
Ch. St. P. Min. & Omaha	12 mos. to June	93,586,000	+ 2,275,000	26,606,000	+ 944,000
Ch. St. P. Min. & Omaha	July	1,581,000	+ 111,000	451,000	+ 192,000
Clev. Clin. Chic. & St. L.	12 mos. to June	17,992,000	+ 1,000,000	4,403,000	+ 135,000
Clev. Clin. Chic. & St. L.	July	3,147,000	+ 156,000	730,000	+ 67,000
Colorado & Southern	7 mos. to July	19,731,000	+ 1,364,000	1,173,000	+ 87,000
Colorado & Southern	July	1,124,000	+ 80,000	237,000	+ 79,000
Cuba Railroad	12 mos. to June	13,223,000	+ 1,855,000	3,476,000	+ 978,00



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The Statist.

LONDON, SATURDAY, SEPTEMBER 26, 1914.

THE BATTLE OF THE AISNE.

THE great battle which has been raging for just upon a fortnight over an area extending from the neighbourhood of St. Quentin to that of Verdun is still going on, and quite possibly may last for some days yet. The enemy has entrenched himself strongly in a favourable position, and is fighting desperately. Nevertheless, the spirit of the Allies is so admirable that it inspires confidence in all the well-informed. For all that, it would be rash to venture upon an opinion as to the immediate outcome. There appears to be no doubt that the position of the Germans is a perilous one, and that the Allies are in the best heart and eager to drive the invaders before them, whereas it would seem that the enormous losses are telling upon the morale of the Germans, and that their commissariat service is not good. Every hour the news from the Eastern seat of war must more and more depress the German General Staff. It seems clear that the Austrian military system has broken down, and that the armies in the field are quite incapable of offering further serious resistance to the advancing Russians. Moreover, as the war has now lasted two months, we have every reason to expect that the Russian armies will continue to be reinforced in very large measure; and, therefore, it will be imperative on the German Government to make better provision than it has yet done for the protection of Germany itself. With regard to such small matters as the antics of the *Emden* we need say little. It is to be recollected that our Navy cannot keep ships in every part of the seas. It has an enormously difficult task to perform, not

only in enabling trade to be carried on as safely as it is at present, but also in conveying great bodies of troops from India and from the self-governing dominions. We must not, then, be impatient because our cruisers cannot be everywhere at once, and cannot quite as quickly as we desire make short work of the *Emden* and similar vessels. The loss of three cruisers in the North Sea is a more serious matter. It is quite true, as the First Lord of the Admiralty has informed us more than once, that the German losses since the war began have been heavier than ours, and that they can less bear such losses than can we. Still, the fact is not comforting that three great ships in the early morning should have been torpedoed, even if four or five hostile submarines may likewise have gone to the bottom. Information respecting the catastrophe is too scanty to allow anybody to form a definite opinion. It would tend to reassure the public if all the facts could be laid before them. Meanwhile, we have full confidence in our Navy, and the very disaster will tend to warn the more enterprising that however admirable pluck and dash may be, yet it ought to be accompanied by the requisite caution.

THE MORATORIUM ABOUT TO END.

LATE on Wednesday a Treasury announcement was issued that there will be no further extension of the moratorium relating to bills of exchange (other than cheques or bills on demand); that there will be no further extension of the general moratorium in so far as it applies to (a) debts due to and by retail traders in respect of their business as such, and (b) rent; that as regards other debts to which the general moratorium applies there will be an extension of one month—i.e. from October 4 to November 4—this extension will be subject to the condition that the interest due under past proclamations is paid; and that on November 4 the general moratorium will come to an end as regards all debts. This is very much what has been expected by those in the best position to judge. We trust that everything necessary will now be seriously taken in hand, so that business may be resumed on its ordinary basis when the moratorium ends. There can be no two opinions, we think, that it would have been unwise to allow the moratorium to expire on Monday week; for every reader, we venture to say, will instinctively feel that had the Stock Exchange been open this week, when the news of the sinking of three British cruisers was received, there would have been very heavy selling; prices, in consequence, would have fallen seriously, and thus the business of the whole trading community would have been gravely embarrassed anew. But there are certain things which must be done before the beginning of November if we are not to run greater risks than the country should be subjected to. In particular, measures must be taken to deal rightly with the fact that there is an immense mass of debt which, owing to the war, cannot be recovered;

The Problem and the Objections.

and, consequently, that those whose business it is to lend are not in a position to accommodate as freely as in times of peace, while those who are indebted would probably be alarmed if they felt that they would be called upon to repay when they themselves cannot recover what is due to them. Even those who might come to some kind of arrangement would feel that, having so much of their capital locked up in irrecoverable debts, they could not borrow freely, and, therefore, could not carry on business as of old. It ought not to be beyond the capabilities of the people of this country to solve a problem which, after all, does not seem to be quite insoluble. Two main suggestions are before those whose business it is ultimately to decide. The first is that the Government should itself take over the whole of the debts; not, indeed, giving the full amount to those to whom the moneys are due, but advancing some

reasonable proportion, so that business should be reconstituted as in times of peace. To this there are two objections made. One is that the Government has already committed itself so heavily that it would be unwise for it to assume further liabilities, especially as there is improvement going on week by week; that if matters are let alone the improvement will continue, and gradually the trading classes will be able to resume work on the ordinary scale. Moreover, it is contended that nobody can foresee what losses the commercial community of the whole world will suffer in consequence of the war, and that, therefore, it would be unreasonable to ask the tax-paying public to take over the debts which for the present, at all events, are irrecoverable, and a large proportion of which in the end may prove to be utter loss. The second objection is that the State has done as much as it ought to do; that it is for the trading community itself to find a way out of its difficulties; and that there are reasonable and practicable ways by which the problem can be solved, always with the assistance of the Government. It will be observed that in the one instance the opponents of Government action rest their case on the magnitude of the debts and the unfairness of throwing them upon the general public; whereas in the second, while not denying that the problem is a serious one, they yet think that those immediately concerned can themselves overcome their difficulties if they are helped by the Government.

With regard to the objections offered to the first solution, we are ourselves inclined to think that the objectors unduly magnify the ultimate losses. The war in which we are engaged will be exceedingly costly. Possibly it may last for two or three years. Some even venture to say longer. If the expenditure is to be on the present scale for such a period it is obvious that the mere cost of the war will be enormous. In addition to this the Government has already assumed large liabilities to help the holders of promissory bills, the acceptors of bills, and bankers. Now those who put forward the first solution ask the Government to do for the ordinary trader what has already been done for the three classes mentioned. Is there any reason why the three classes mentioned should have a preference over the ordinary trader? For ourselves, we venture to think that the whole community is in the same boat; that it is the interest of every one of us that all classes should come through this great emergency with as large a measure of safety as can be ensured; and that, therefore, the whole community must bear the ultimate loss. In addition to this, we venture to think that the probability is that the ultimate losses will be much smaller than is now apprehended. In the excited state of feeling at the present time, when our enemies are believed to be

**Government
Help.**

little short of monsters, we must not forget that the trading community, both of Germany and of Austria-Hungary, is a highly honourable community; that it has never been accused of intentional dishonesty; and that when the war is ended it will meet its obligations as far as it can. Because Prussian militarists are guilty of atrocities we must not impute dishonesty to the commercial community either of Germany or of the Dual Monarchy. If that be so, is there any solid reason for supposing that either of those two great Empires will be so utterly impoverished that they cannot fairly meet their liabilities? There will, of course, be losses. Even in the piping times of peace there are losses. But that the losses will be of such a character that it would be unwise, and something worse, for the Government to help the trading community, though it has helped the financial community, is hardly probable. At the same time, we are quite ready to admit that if the trading community is satisfied that it can get itself out of the difficulties in which it is immersed at present without the help of the State, there is no reason why the State should urge

its good offices upon those who do not want them. The question is, then, Are the various sections of the community which are concerned in a position to extricate themselves without Government help? Everybody will agree that if they are, and are prepared to do so, it is better they should be left to take care of their own interests. On the other hand, if they are not able to extricate themselves and ask for State assistance, we see no reason why they should not receive it. After all, it is the great trading community and those they employ whose interests are the most important; for all the other sections of society are but ancillary to them.

The second suggestion made is that the Bank of England should be authorised to advance to those who are hindered in their activities by the fact that they cannot recover debts due to them such a proportion of those debts as will enable them to push their businesses as in ordinary times. It is estimated roughly that the liabilities in question amount to about 80 millions sterling, and that of this about half is owing to the joint-stock banks, the remaining half being due to all sorts of financial institutions, to foreign banks, and so on. Suppose half this amount were advanced to the persons who, on the one hand, are creditors of large sums which they cannot recover,

**Bank
of England
Agency.**

and, on the other hand, are debtors to the financial community at home, the 40 millions or so would, in the first place, enable the home debtors to pay off a considerable proportion of the debts due to the lenders, and these in turn would be able to give accommodation to traders as in ordinary times. We are giving this explanation in the broadest and most general terms, not wishing to perplex the reader by entering into minute details. We have probably said enough to make the suggestion intelligible. The Bank of England, acting for the Government, would make the advances to those whose capital is now locked up to a serious extent. These persons in turn would pay off part of their liabilities to bankers, insurance companies, and so on. Then lenders of all kinds would be in a position to finance trade and enable the trading public to go into all sorts of new enterprises. There is, so far as we can see, no very great difference of principle between the two proposals. The first, which we consider in the preceding paragraph, frankly proposes that the Government itself should step into the places of the traders whose capital is more or less locked up, and enable them to start afresh. The second would keep the Government in the background; would employ the Bank of England in its name to afford the accommodation. But in the long run there would have to be some Government guarantee; for it is not to be supposed that the Bank of England would advance 30 or 40 millions sterling without a Government guarantee. True, it would, of course, have all the securities which those whose capital is now locked up have to look to for future realisation. But if all the world does not think future realisation a sufficient reason for giving accommodation now, it seems to follow that a Government guarantee of some kind will have to be given. It does not seem to us of very great importance whether the Government steps forward and itself takes over the liabilities, or whether it employs the Bank of England to do the work for it, giving the Bank a guarantee, except to this extent, that a bank is better qualified to do such work than a Government department. The main point, so far as the lay public is concerned, is that the trouble should be got rid of as soon as possible; that everybody who because of the war is embarrassed now should be so far relieved from his embarrassments that he would be able to push his trade; and that new business should be created, so that as much employment as possible should be given to the working classes at fair wages. When everything is said, that is the great inducement to the taxpayers to give help—keep the people employed, make the coun-

try as rich and prosperous as possible, and add to its wealth as far as we can. In these ways we shall find the means of defeating an unprovoked aggressor, and of restoring what we hope to find, a long period of peace.

FRANCE'S STAYING POWER.

THERE seems to be an impression in many quarters that the staying power of France is less than that of Germany. We are not sure that in the present great conflict this view is correct. In one respect, of course, there can be no difference of opinion. The total population of France is not quite 40 millions, while the total population of Germany is over 65 millions. Germany, therefore, has a reserve of men which France clearly has not. If it becomes possible for France to actually call up four millions of men it will be a wonderful achievement, for it will mean 10 per cent., or, to put it more clearly, one man out of every ten persons of both sexes and all ages, being taken from productive industry either for fighting or for performing some service accessory to fighting. Clearly,

The Great Drawback.

then, France cannot go on increasing her field armies. If she is able to maintain them for any length of time at their present strength it will be a great feat.

The statement just made must not, however, be taken to mean more than is actually said, for France has a very large Colonial Empire, the population of which is martial, and she can draw upon that population to a very considerable extent. There is no reason, indeed, why she should not be able to keep the army in the field at its present strength for a longer period than some of the critics seem to believe. Still, there is no question that single-handed she would not be in a position to fight Germany, bearing in mind the disparity of populations.

On the other hand, France has two very great advantages over her chief adversary in the present struggle. The first of these is that she possesses much more immediately disposable wealth than does her antagonist. Germany, it is quite true, has made wonderful economic progress during the past half-century, and is now a very rich country. But Germany has not the accumulated wealth which France has. That this is so was proved conclusively at the time of the Agadir incident. The French banks became convinced that war was imminent. They withdrew the balances they had been employing both in Germany and Austria-Hungary, and the credit of Germany broke down, and she found it impossible to engage in war. It may be that Germany is growing in wealth more rapidly than France, or at least has been growing during the past 43 years, for France was so disheartened by her unexpected and decisive defeat in 1870 that she has never had the courage

A Marked Advantage.

to engage in the development of her own resources upon the scale which her victor has done. On the other hand, it is never

to be lost sight of that France is one of the greatest lending countries in the world. Everybody is acquainted with the immense sums she has lent to Russia; but though Russia is her chief debtor, she has lent very largely to many other countries—to the Balkan countries, to Turkey, to Austria, to Hungary, to Brazil and Argentina, and so on. In fact, the loans of France have been on so great a scale for a very long time that there is now a large revenue coming into the country every year in the form of interest and dividends. Moreover, France is a very thrifty country. Everybody saves something. France, then, has larger disposable balances than Germany. If it be objected that France will have largely to finance Russia, the answer is that Germany will likewise have largely to finance Austria-Hungary. Moreover, it is to be borne in mind that Russia need not necessarily raise very large sums immediately, for she can defray at all events a considerable part of her military and

naval expenditure by the issue of inconvertible paper. No doubt it is quite true that that will only be putting off the difficulty, that Russia sooner or later will have to resume specie payments, and that then large loans will be necessary. But when that time comes Russia will be earnestly labouring to make up for the losses incurred during the great war, and, therefore, will be in a position to pay high interest on the loans made to her by France. Besides, it must always be borne in mind that there is the prospect of indemnities. We ourselves are entirely opposed to war indemnities, but we can hardly expect France to forgo the recovery of the 5 milliards extorted from her 43 years ago. Neither does it seem probable that Russia will waive her claim to an indemnity for the attack so unprovokedly made upon her. In any event, it seems to us that the financial position of France is decidedly better than that of Germany.

The second great advantage which France possesses over Germany at present is that she can carry on trade undisturbed with all the world, while her adversary cannot. We are assuming in this that, as our Navy has so absolutely maintained command of the sea for nearly two months since the war broke out, it will succeed in preserving it to the end. In that case the waterways all over the globe will be kept open, and France will be able to trade as far as it is possible for her considering the multitudes of men withdrawn from productive industry. It is to be borne in mind

Another Material Advantage.

that the French people are exceedingly industrious and thrifty, that the women take a greater part in business than do the women of some other countries, and that in certain departments of trade female labour is common. It is possible, therefore, that much more of the trade of France may be carried on, in spite of the call upon the manhood of the country on account of the war, than most people now anticipate. In any event, France is free to trade where she pleases. Her ports are safe from attack, and the seas are kept clear of commerce destroyers. Assuming that the force of the German attack is spent, and that the German hosts are being hurled back upon their own country, every retreat by them frees an additional part of France from the invader. Industry, then, will be resumed in the portions of the country that have suffered. No doubt the destruction has been great, and in some cases, apparently, very wanton. Nevertheless, injury of that kind is soon made good. Everybody when peace returns will hurry to make repairs where it is possible, and at all events the old men, the boys, and the women will be able to do such work as is within their power. It is quite possible, therefore, that the loss of trade to France will be decidedly less than most people now anticipate. It is to be recollected that our own country grew enormously in wealth during the long wars that followed the outbreak of the French Revolution. It may be objected that armies and navies in those days were small compared with what they are now. But is that true if we compare the populations? Think what the population of the United Kingdom now is and compare it with what it was 100 years ago. Yet we maintained an immense military force and the greatest Navy the world had ever then seen. We acquired immense colonies, and in conquering the command of the sea we secured for ourselves the carrying trade of the world, and a large part of the economic advantages that we have retained ever since. It must not be assumed, then, that France will be compelled to make peace, or even very largely to relax her warlike efforts, if the struggle is continued for a couple of campaigns. Lastly, it is never to be forgotten that the influence of victory upon the spirits of a people is immense. Since 1870 France has been subjected to humiliation after humiliation, and, therefore, has thought it better to lend her money to foreign countries, often even to the nation which so brutally bullied her, rather than invest at home, lest

her investments should be ruined by a sudden invasion. If now she succeeds not only in driving back the invader, but in recovering her lost provinces and her old belief in herself, she will regain, at the same time, the confidence that is as necessary for successful trading as for war itself. Every victory, therefore, will encourage the people not merely to persist in the war, but also to submit to every kind of drudgery, so as to provide the means of resuming her old place in the world.

RETRIBUTION.

It is seldom that one Government is able to render a great service to a neighbouring Government, to meet with ingratitude from the latter, and subsequently to find an opportunity for exacting retribution in the course of the reign of a single man in the offending State. Yet that is just what is happening now in the case of Russia and Austria-Hungary. After the overthrow of the great Napoleon, the Continental Governments, almost without exception, adopted a most reactionary policy. No public man of the time carried the reaction farther than did Prince Metternich; and, for that reason, he and his country were looked upon with special favour by the Tsar Nicholas I. In the Year of Revolution, 1848, popular risings took place throughout the whole Hapsburg Monarchy. Gradually, however, they were put down everywhere, except in Hungary. There the Magyars were so near establishing their independence that the Tsar Nicholas sent a Russian army to the support of the new Sovereign of Austria, Francis Joseph. The revolt was then suppressed and the Constitution of Hungary was abrogated. An attempt was made to unify the whole Monarchy, a Constitution being granted. A little time afterwards the Tsar Nicholas took

Russia and Austria.

action which brought about the Crimean war; and, to ensure the success of his demands, he occupied Roumania, or as the region was then called, the Danubian Provinces. When the Crimean war broke out doubtless the Tsar expected that he would find Austria his friend. On the contrary, although Austria did not join the alliance against him, it marched an army into the Danubian Provinces, which the Tsar wisely evacuated. It is matter of common knowledge that Russia has never forgiven this ingratitude. The Tsar immediately took Prussia into his favour, and as Prussia had been pro-Russian during the Crimean war, so it continued to be during the Polish insurrection, while Austria-Hungary was accused, at all events, of encouraging the Poles. Some commentators on the present war have so completely forgotten this portion of modern history that they trace back the present condition of Central and South-Eastern Europe to the war of 1866 between Prussia and Austria. In real fact the war of 1866 was only an incident in the long-protracted duel that has been going on between Russia and Austria ever since the Crimean war. As already said, Russia took Prussia into its favour. It used its influence to prevent England and France from supporting Denmark in 1864. At a later date it showed itself a benevolent neutral in 1866. Finally, in 1870 it permitted Prussia to become the dominant Power in Europe by preventing Austria from interfering in the interests of France. While the real origin of the present war is the misgovernment of not only Prussia and Austria-Hungary, but of Russia likewise, yet the league of the three Emperors might have continued if Russia did not hunger for the complete punishment of the State which had acted towards her with such exceptional ingratitude. From time to time Russia has felt herself incapable, because of her domestic difficulties, of engaging in a conflict with the Triple Alliance. Therefore it has acted in a half-hearted way in connection with Austria-Hungary. But it has been notorious that Russia did not feel that the Hapsburg Government had been sufficiently punished in 1866, and that

it was resolved, some day or other, to make its resentment fully felt.

The Emperor Francis Joseph is an extremely well-meaning man, a lover of peace, and one honestly desirous of making his Monarchy prosperous. But he succeeded to immense difficulties. The public men he has been able to call to his assistance have not proved equal to the task imposed upon them; and, above all, the resolution of the Germans and the Magyars to rule the Slav members of the Empire has made it impossible for him to bring his reign to a successful close. If he had been a great statesman, and had selected—as the first German Emperor selected Bismarck and Moltke—men capable of carrying out his ideas, instead of attempting the impossible task of making a congeries of jarring nationalities into a unified Empire, he would have erected a great federation. In such federation, no doubt, the Germans and the Magyars would have played a leading part. But the several Slav nationalities would have had Home Rule, and they would have been able to defend their own interests in the common representative assembly. It does not appear ever to have occurred, either to the Sovereign himself or to any of his advisers, that this was his true policy. It is to be recollected, of course, that he was very young when he came to the throne—only eighteen; that he found himself confronted by

Francis Joseph's Difficulties.

almost insuperable difficulties on every hand; and that he would have been either more or less than human if he had not felt some irritation at the irreconcilable attitude of the Hungarians. Possibly if he had come to the throne under more favourable auspices he might have recognised that federation was the only policy which could be made successful. When, however, he failed as a very young man to recognise the fact, it was impossible for him to overcome the opposition of the Germans and the Magyars. Possibly, also, he was aware that after 1866 Germany would not have allowed him to exalt the Slavs and depress the Germans and the Magyars. However that may be, it seems clear now that the Tsar is resolved that the whole of the Slav communities now subject to the Emperor Francis Joseph shall be emancipated. Through his Generalissimo he has invited the Poles, both in Austria and in Prussia, to give him their support, promising in return that they shall have Home Rule with the free use of their language and their religion. The attack of Austria-Hungary upon Serbia was the immediate cause of the present struggle, and, as a matter of course, Russia will take care that Serbia not only does not suffer, but that she shall be greatly enlarged. Whether she will be satisfied with Bosnia and Herzegovina as well as with the purely Serb territories within the Dual Monarchy remains to be seen. Possibly she may wish to add Croatia and Dalmatia. The Croats, however, will probably object, demanding independence for themselves. However, it is too early yet to divide the lion's skin. In any case, we may be sure that Austria, having forced this war upon Europe, Russia will take care that she shall no longer continue to trample upon any Slav nationality.

It is not worth while to attempt to estimate Austria-Hungary's staying power, for Austria-Hungary is not really a nation, but a congeries of nationalities. It would matter little if the nationalities wished to remain connected, and were ready to fight for the maintenance of the State. But it is certain that while there is, or at all events while there has been, a certain loyalty towards the Emperor Francis Joseph, there is great discontent with the Governments both of Austria and of Hungary.

Internal Difficulties.

Hungary, in fact, has driven her own subject nationalities into such open hostility that she has for a long time governed Croatia by martial law. In Austria matters are better. But the hostility between Ger-

mans and Czechs is notorious, while it is impossible to doubt that the Serbs in Austria sympathise strongly with those of the Kingdom. Such being the case, there are no adequate means of ascertaining the staying power of the Monarchy. If the army really is as badly beaten as it appears to be, we may witness at any moment an uprising of the nationalities. If that takes place there will be little staying power.

A CASE FOR INQUIRY.

It has come to our knowledge that this week a trading concern in this country has been offered an order for a thousand tons of lead at its own price, to be delivered without delay in Holland. The Company to which the order was offered, suspecting that the lead was intended for Germany, declined to enter into the transaction. Doubtless the order has been offered in other quarters. We likewise understand that orders are being given, or at all events attempts are being made to give orders, in this country for many other things, such as petrol, copper, and zinc. While, in addition to the order for lead just mentioned, other orders, we believe, are being tendered. It is possible, of course, that Holland may require all these things in exceptional quantities at present, and its requirements may be so pressing that it is willing to pay any price that will be sufficiently tempting to Englishmen. But it does not seem probable that at such a time as this so many different industries in Holland should have received such an exceptional impetus. At all events, we respectfully submit that there ought to be careful inquiry made as to whether Holland is being used as a catspaw to provide the *matériel* of war for Germany. Everybody can see for himself the need that there must be in Germany for both lead and copper. It is likewise to be recollected that Galicia is a producer of petrol, and that the Russian invasion is making Galicia also inaccessible. It seems, therefore, to be the duty of the authorities to make the most careful and searching inquiry into this matter, for no neutral nation is justified in supplying a belligerent with *matériel* of war.

SUGAR.

At page 604 of THE STATIST of September 19 we set out some figures showing the imports of sugar into this country from Germany and Austria, the two principal European beet-sugar producers, from whom the United Kingdom has in the past bought very large quantities. The third largest Continental exporter of beet sugar to this country has been Holland. After the outbreak of war Holland took the step of prohibiting the export of sugar, but it having been disclosed that German sugar has been disposed of *via* Holland and shipped thence, the British Government, it is announced, has this week prohibited the import of sugar into the United Kingdom from Holland. This step will not injure Holland, for the reason that the export of Dutch-produced sugar is already prohibited, but it does put an end to the ability of German producers to secure, by indirect means, a market in the United Kingdom for their produce. It will be of interest to give a contrast of the quantity and value of the beet sugar we received in 1913 from each of the three countries which in the past have provided us with the bulk of our sugar requirements:—

Imports into the United Kingdom of Refined and Unrefined Sugar in 1913.

From	Tons	Value £
Germany	937,150	10,888,000
Austria	308,850	4,250,000
Holland	189,773	2,585,000
Grand total of all sugar from all countries	1,968,000	23,066,000

EXPORTING WOOL IN WAR TIME.

IS GERMANY BUYING INDIRECTLY?

At the present juncture we feel exceedingly hesitant about saying anything which is likely to be prejudicial to the honourable trade interests of the Continent, and though in Germany the powers that be have taken up such a high-handed and unwarranted attitude, we must remind ourselves that there is another side to the German temperament, one which is represented in the sane minds of people satisfied with legitimate trade operations. There will come a time, near or distant, when the war will be over, when we shall all set about trying to undo some of the mischief done, and when our compeers in Germany especially will be wanting to pick up again the trade which they are now losing. When Germany has done with shells, rifles, &c., she will be desirous of doing a little trade in wool, tops, yarns, and other relative commodities.

This is good in so far as it impresses a correct aspect of the possibilities of the future; but the other side has to-day to be looked at. It will be readily understood that there is a growing difficulty in Germany in securing the raw material; the Government itself has recognised this, and we understand on good authority that a company has been formed to which the right has been given to seize all wool stocks and semi-manufactured goods not only in any part of any hostile country now occupied by German troops, but also in Germany itself. The full interpretation of this is that the German Government is going to compel its own manufacturers and others to "tip up" their stocks of wool, &c., for providing the army with clothes, and that any such material taken in the gentle arts of war will be appropriated for the same philanthropic purpose. This seems to be what Germany is doing at home to further her own cause; but we have reason to believe that other forces are at work of a more extended nature, and which, if carried out to the full, will involve the British Wool market, particularly that section of it which is represented by the buying brokers.

The whole thing seems to hang on whether neutral countries such as Holland, Norway, Sweden, Denmark, &c., will maintain a true neutrality, and whether sellers of wool in London will have sufficient insight and knowledge to enable them to avoid being unwittingly parties to helping to support the army which is doing its best to crush the Allies. The scheme, as hatched in Germany, seems to be to buy raw material from the neutral countries named, but as none of these have large wool supplies, neutral traders, if willing to sell to Germany, must come into the London market to buy, ostensibly for themselves, but intent on finally turning over some of their purchases to Germany. The bald fact is that buyers in neutral countries are going to be asked to buy in London and turn their purchases over to Germany; at least that is what we hear from a most reliable Continental source which does a big trade in wool with Germany. The difficulty from the London point of view is that there are certain to be legitimate requirements to be filled by the neutral countries; and, further, that the war itself tends to increase these requirements, so that traders in this country will have a most difficult task before them to know whether they are supplying ordinary neutral trade requirements or are simply making a stick for their own backs by supplying the enemy. Even looking at the war from a standpoint other than our own, it is not to the advantage of the German people to extend the war, and anything to help to bring it to an end will be welcome to all except those who have brought it about, and complete madness can only be ascribed to even these if they do not realise their folly. We have always stood for universal progress in the wool trade, and in giving expression to the preceding thoughts we have done so not as a fomentor of national

prejudice, but to enlighten the trade as a whole as to what is at the moment proceeding behind the curtain. It rests with individual firms, having once received the cue, to follow it up and act according to any further light which may fall upon the matter.

GROWTH OF GERMAN DEBT.

"THE RAKE'S PROGRESS."

WHILE from the political and military points of view, Germany no doubt deemed the time had come for her to draw the sabre instead of merely rattling it, possibly another contingency influenced her in arriving at a decision perhaps more speedily than otherwise she would have done. Her policy of ever increasing her armaments—and incidentally causing other nations to follow suit in self-defence—placed huge burdens on the German people. In bygone days Germany raised loans mainly for the purpose of constructing railways and public works, but throughout the period since the Franco-Prussian war the policy has been pursued of continuing to spend liberally on reproductive works and at the same time to plunge into debt to a far greater extent for the purpose of providing and keeping bright her "shining armour," even though throughout she has ever presented the appearance of displaying a velvet glove over the "mailed fist." Germany has not only herself been a spendthrift, but by her action has caused the necessity of neighbouring and even distant countries following suit in an ever-increasing expenditure for military and naval purposes.

It may be recalled that prior to 1870, in addition to proper expenditure, there had also been military outlays, as, for instance, in 1866, when there occurred the few weeks' war with Austria. There arose in 1870-71 the necessity to expend heavily on conducting the Franco-Prussian war. Beyond an estimated 34 or 35 millions sterling raised at home, Germany secured field indemnities from French towns, &c., aggregating about £30,000,000, and, later, imposed on the French nation a penalty of £200,000,000. Altogether an enormous net sum was secured that enabled her to cover costs and largely obliterate her then debt. For a long time this considerable obliteration of her debt enabled Germany to make huge industrial progress; but for many years past, simultaneously with growth of industrial progress, Germany has developed a policy of spending annually increasing amounts upon military and naval preparations, intermittently providing additional resources by raising loans, with the outcome that at the time of the outbreak of war this year Germany as a whole—Imperial Government, plus the 26 States—had accumulated a funded and floating debt aggregating over £1,030,000,000.

May it not have been the case, then, that the constant necessity of raising additional annual sums, plus the continual creation of additional loans, had this year reached such a stage that from the financial point of view Germany came to recognise she had entered an era of exhaustion. She could not go on indefinitely adding to her annual expenditure, in addition to raising big loans in pursuance of her ever-increasing military preparations, to which in recent years she has added enormous outlays on naval preparations. The absence of required response to offers of loans in 1913 and the stupendous taxation projects of about the same period looked like a climax.

It is to be explained that Germany is a conglomeration of States fused in 1870 into an Empire. Each separate State, nevertheless, presents annually its own Budget of receipts and expenditure in respect of the various services of administration, public services, education, &c., but the Imperial Budget is the one that deals with army and navy expenditures, as well as finance in connection with Imperial indebtedness. In the separate State Budgets a contri-

bution has to be made by each State to the Imperial Government towards covering the cost of defence. According to the needs of each year the contribution is made, based upon an amount per head of the population of each State. All the expenditures upon army and navy figures in the Imperial Budget, as do also the contributions derived from the separate States. In the table we give below we set out the sums Budgeted each year for the army and navy, the amounts given including the "permanent" Imperial contribution, the aggregate sum contributed to the Imperial Budget by the States, and the extraordinary expenditure which has almost uninterruptedly each year appeared in the Imperial Budgets. It has to be noticed that the annual budget provisions have been repeatedly financed by very considerable loans. In recent years the great bulk of the loans that have been raised in Germany have been either direct Imperial Government loans or Prussian loans, and the other States have figured for a comparatively trifling variation in amount.

		ARMY £	NAVY £
1872	...	14,450,000	1,250,000
1873	...	16,480,000	2,690,000
1874	...	18,600,000	2,850,000
1875	...	20,380,000	1,350,000
1876	...	20,220,000	1,290,000
Year to Mar. 31			
1877-8	...	22,420,000	2,510,000
1878-9	...	20,480,000	2,940,000
1879-80	...	21,000,000	2,300,000
1880-1	...	20,630,000	1,980,000
1881-2	...	22,240,000	1,950,000
1882-3	...	21,000,000	1,800,000
1883-4	...	20,840,000	2,010,000
1884-5	...	18,332,000	1,852,000
1885-6	...	18,640,000	2,117,000
1886-7	...	19,227,000	2,340,000
1887-8	...	20,046,000	2,374,000
1888-9	...	36,764,000	2,434,000
1889-90	...	22,746,000	2,555,000
1890-1	...	34,109,000	3,987,000
1891-2	...	23,875,000	4,210,000
1892-3	...	28,639,000	4,270,000
1893-4	...	32,758,000	3,990,000
1894-5	...	30,554,000	3,698,000
1895-6	...	27,526,000	4,084,000
1896-7	...	28,291,000	4,603,000
1897-8	...	29,968,550	5,876,300
1898-9	...	30,410,100	6,562,550
1899-1900	...	32,243,000	7,695,450
1900-1	...	33,505,950	8,357,750
1901-2	...	33,658,200	10,282,100
1902-3	...	32,688,300	10,869,950
1903-4	...	32,418,700	11,289,500
1904-5	...	32,356,150	9,373,650
1905-6	...	35,259,550	10,602,350
1906-7	...	36,774,500	10,882,550
1907-8	...	39,935,000	15,167,850
1908-9	...	42,719,600	17,372,400
1909-10	...	40,829,850	20,996,600
1910-11	...	40,372,900	22,108,800
1911-2	...	38,460,000	22,910,350
1912-3	...	38,525,000	22,865,000
1913-4	...	45,035,000	23,850,000

The enormous extent of growth of naval and military expenditures budgeted for is shown vividly in a contrast for 40 years past of the average annual army and navy expenditure by decades. The figures are as under:—

Averages of Ten-Year Periods.

Ten Years to	Army £	Navy £
1883-4	20,781,000	2,078,000
1893-4	25,513,000	3,013,000
1903-4	31,126,000	7,331,000
1913-4	38,827,000	17,613,000
Year 1913-4	45,035,000	23,850,000

We have experienced difficulty in securing comprehensive debt figures for the years prior to 1895, and figures to that date as to Prussia and States we do not vouch for. But the figures as to the Imperial debt since 1871 and in respect of the subsidiary States for 1895 and since being reliable, we present

them in the table herewith. The growth in the past 20 years has been very great.

GERMAN EMPIRE £	PRUSSIA £	OTHER STATES £	GRAND TOTAL £
1869* 2,017,500	[These State debts were largely of reproductive character, having in the main been incurred for railway construction.]		
1871† 38,475,000			
1873... 92,000	(1872) 67,500,000	96,000,000	165,592,000
1875... 6,016,000			
1880.. 19,378,000			
1885... 29,364,000			
1890.. 62,045,000	About 350,000,000 (1886) 379,950,000		
1895... 110,082,000	317,700,000	178,000,000	605,782,000
1900... 120,978,000	323,687,000	210,457,000 (1901)	855,100,000
1905.. 166,175,000	380,450,000	233,625,000	760,250,000
1910... 250,831,000	471,088,000	300,173,000	1,022,092,000
1911... 247,182,000	476,583,000	301,937,000	1,025,702,000
1912... 248,112,000	471,443,000	313,410,000	1,030,965,000
1914...	Approximate		1,080,000,000

* Confederation.

† End.

The approximate amounts of funded and unfunded debts of the Imperial Government, Prussia, and other of the 26 States or parts that constitute the Empire in 1912 made up a total set out below:—

	£
Imperial Government	248,100,000
Prussia	471,450,000
Bavaria	114,300,000
Saxony	43,450,000
Wurtemberg	31,250,000
Baden	28,350,000
Hesse	21,550,000
Hamburg, Bremen, &c.	74,550,000
	1,031,000,000

It has to be recognised that a large proportion of the debts of the various States was proper expenditure in respect of railways and public works.

From 1877 to 1886 the Imperial Government and Prussia together issued eight loans aggregating £24,600,000, mainly in the form of Four per Cent. debt. Various Imperial and Prussian issues of Three per Cent. debt were made from 1882 to 1905, but in April 1905 there first appeared the new denomination of Imperial German Three-and-a-Half per Cent. Consols, largely issued for conversion of existing Four per Cent. debt. Further, £15,000,000 Three-and-a-Half per Cent. loan was offered in April 1905 at the price of 101.20 per cent. In April 1906 £13,000,000 of Imperial and £15,000,000 of Prussian Three-and-a-Half per Cents. were offered at 110.10 per cent. In May 1909 £8,000,000 of Imperial and £12,000,000 of Prussian Three-and-a-Half per Cent. bonds were disposed of at 96.6 per cent. Subsequent issues have been in the form of Four per Cents. The most important of recent issues was that of January 1912, when £40,000,000 of Imperial and £21,000,000 of Prussian Four per Cent. loans were offered at the price of 101.4 per cent. Two issues projected in 1913, but quite inadequately responded to, were:—

	German— £5,000,000 Imperial 4% Consols	Prussian— £20,000,000 4% Treasury bills £25,000,000 4% Consols £11,250,000 4% Consols £3,750,000 One-yr. Treasury bills
March ...	£5,000,000	
June ...	£11,250,000	

The amounts of the Three, Three-and-a-Half, and Four per Cent. denomination Imperial German and Prussian Consols that had obtained recognition on the bourses and were in issue at the end of 1913 are given below:—

	3% £	3½% £	4% £	Total £
German ...	82,119,325	98,758,415	53,316,455	234,194,195
Prussian ...	72,964,900	303,901,320	80,159,385	457,025,605
	155,084,225	402,659,735	133,475,840	691,219,800

At the end of January 1914 £17,500,000 of Prussian Treasury notes were represented to have been subscribers for more than 70 times over. Subscribers who bound themselves to hold their allotments at least six months were stated to have applied for 50 times the amount. When the issue was

announced the Government held back for future issue a further 10 millions, but, it was represented, the eagerness to obtain allotments of the amount offered resulted in a decision to let the underwriters take up forthwith a further amount of 10 millions, so that the issue aggregated 27½ millions, and the Banking Syndicate having previously taken 2½ millions, the total issue amounted to 30 millions sterling.

The rush reported to have occurred in January 1914 was attributed to the much greater attractiveness of the offer than the two previous offers in the preceding year.

The figures below give, generally in intervals of five years, the growth in the items set out:—

Year	Population	Debt £	Annual Budget Provision for	
			Army £	Navy £
1871 ...	41,085,000	—	—	—
1873 ...	41,300,000	(1872) 165,592,000	16,480,000	2,690,000
1880 ...	45,194,000	—	21,000,000	2,300,000
1885 ...	46,858,000	(1886) 379,950,000	18,332,000	1,852,000
1890 ...	48,800,000	—	22,746,000	2,555,000
1895 ...	52,280,000	605,782,000	30,554,000	3,698,000
1900 ...	58,367,000	(1901) 655,100,000	33,505,000	10,282,000
1905 ...	60,641,000	760,250,000	35,250,000	10,602,000
1910 ...	64,920,000	1,022,100,000	40,373,000	22,109,000
1911 ...	65,429,000	1,025,702,000	38,480,000	22,910,000
1912 ...	66,148,000	1,031,000,000	38,525,000	22,865,000
1913 ...	—	1,080,000,000	45,035,000	23,850,000

On August 4, the date of declaration of war between Germany and Great Britain, the German Reichstag authorised an extraordinary expenditure of £265,000,000. Reports have been current of extraordinary steps taken to raise additional funds for prosecuting the war, and a Berlin telegram published September 24, reported to be of official character, says the final result of the war borrowings has been the raising of £65,900,000 of Exchequer bonds and £153,550,000 of Imperial loan, making a grand aggregate of £219,450,000. Such statement, considering the source from which it emanates, must be accepted with a considerable amount of reserve. In any case it cannot be held to represent the sum received, although it may be the nominal amount of debt created.

In conclusion, we may observe that we have not entered into fine distinctions of whether the Budget figures are definite amounts or estimates. We have sought only to present a picture of globular figures covering the period since the 1870-71 war, and showing, as far as possible from official records, the approximate growth of population, debt, and Budget provisions made for army and navy outlays.

SCOTTISH RAILWAY DIVIDENDS.

FOLLOWING closely on the announcement by the Board of Trade of the terms under which the nation is renting the railways from the companies during the war comes the belated declaration of interim dividends by the Scottish railway companies in respect of the June six months. The cautious attitude of the directors throughout has been in no way modified by the knowledge that their companies will not suffer by the dislocation of trade as a result of the war, but that their net earnings in the current half-year will be reduced only in proportion to the normal falling off in business as demonstrated by the decline in railway revenue in the June six months. These remarks particularly apply to the Glasgow and South-Western Railway, whose interim distribution at the rate of ½ per cent. per annum only compares with a distribution of 2½ per cent a year ago. The decline in the Company's traffic receipts for the 26 weeks, according to the published statement, was about £10,000; but by comparing estimates with estimates an improvement is shown of something like £24,000. The reduction in dividend means the division of £53,400 less revenue; but having regard to the relatively slight, if any, falling off in gross receipts the loss of profit is not likely to have been as heavy as this.

It is, therefore, clear that the Company has adopted a cautious attitude, and is dividing only a portion of the profits earned for the six months among the shareholders. The sum now retained will, however, go to swell the divisible surplus at the end of the year, and the distribution for the whole of 1914 may, therefore, be only slightly smaller than that for 1913, when 2½ per cent. was paid on the Deferred stock. For the past twelve months the dividend is 1¾ per cent., as against 2¾ per cent. for 1912-13. The dividend record of the Company in recent years is as follows:—

Glasgow and South-Western Undivided Ordinary.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	5½	5*	5	4½	3½	3½	3½	3½	4½	4	4½	4½
1st half...	3	4½	4½	4½	4½	3½	3½	4	4½	4	4	3½
Year ...	4½	4½	4½	4½	4	3½	3½	3½	4½	4	4½	4½

Glasgow and South-Western Deferred.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	3	2½*	2½	2½	1½	1	1	1½	1½	1½	1½	2
1st half...	½	2½	2½	2½	1½	1	½	1½	1½	1½	1½	1½
Year ...	1½	2½	2½	2½	1½	1	½	1½	1½	1½	1½	1½

* Dividend for 5 months to Dec. 31. † 6 months to June 30, 1913.

The price of Glasgow and South-Western Preferred Ordinary stock on July 30 was 54, and the Deferred stock was quoted at 37. On a 1¾ per cent. dividend basis the yield afforded by the Deferred is £4 16s. per cent. Were 2 per cent. forthcoming for the year the yield would be about £5½ per cent.

In the case of the Caledonian the interim dividend on the Ordinary stock is at the rate of 3 per cent. per annum, the same as a year ago, and, as expected, nothing is forthcoming for the Deferred. Having regard to the published decline of £20,000 in traffic receipts the Company has done well in maintaining the dividend. For the twelve months ended June last the dividend on the Undivided stock is 3½ per cent., giving ½ per cent. on the Deferred, and this may be the rate of distribution for the calendar year as well.

The dividends paid since 1902-03 are set out beneath:—

Caledonian Ordinary.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	4	3½*	3½	3½	3	3	3	3½	4½	4	4	4½
1st half...	3	3½	3	3½	3½	3	3	3½	3½	3½	3½	3½
Year ...	3½	3½	3½	3½	3½	3	3	3½	4	3½	3½	4

Caledonian Deferred.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	1	2*	½	½	Nil	Nil	Nil	½	1½	1	1	1½
1st half...	Nil	Nil†	Nil	½	½	Nil	Nil	½	½	½	½	½
Year ...	½	½	½	½	½	Nil	Nil	½	1	½	½	1

* Dividend for 5 months to Dec. 31.

† Dividends 6 months to June 30.

The North British Railway Company maintains the dividend at the rate of 3 per cent. per annum on its Preferred Ordinary stock, and inasmuch as no dividend was distributed on the Deferred twelve months ago nothing was expected this time. The Company reported a decline in traffic receipts of £20,000, but by comparing estimates with estimates an increase of £34,000 is shown to have been secured. Possibly, therefore, profits have been maintained at the level of the June half of 1913. If this be so the net results for the whole of the current year will be the same as for 1913, the rent to be paid by the nation for the use of the line representing a sum equivalent to the net earnings of the corresponding period, subject only to a proportionate reduction, if any, as shown by the results for the June half of 1914. Possibly, therefore, the Company may be able to pay a final dividend as in 1913 at the rate of 1½ per cent. per annum, making ½ per cent. for the year. Recent dividends on North British Deferred stock have been as follows:—

North British Deferred Ordinary.

	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	'02-3.
2nd half...	1½	2*	1½	1½	½	½	½	½	2	2	2½	2½
1st half...	Nil	Nil	½	½	½	Nil	Nil	1	1½	1½	1½	1½
Year ...	½	1	1	1	½	½	½	½	1½	1½	2	1½

* Rate per annum of div. for 5 mos. to Dec. 31, 1912.

The price of the stock is about 21.

WAR RISK IN LIFE ASSURANCE.

MANY attempts have been made by British actuaries, so far as imperfect statistics admit, to estimate, albeit in a rough and approximate fashion, the percentage in mortality experience which may be assigned to war risk in life assurance calculations. Some of the leading British papers on this subject are as follows:—

(1) Paper on the Mortality arising from Military Operations, by W. B. Hodge, F.I.A., in Vol. VII. of the *Journal of the Institute of Actuaries*. This dealt mainly with the Napoleonic and Crimean wars.

(2) Note of Mortality in Recent Campaigns, with special reference to the German Experience in the War of 1870-71, by A. G. Mackenzie, F.I.A., in Vol. I. of the New Series of the *Transactions of the Actuarial Society of Edinburgh*.

(3) Joint Reports to the Board of the Directors of the Gresham Life Assurance Society (a) as affecting the general populations of Continental countries, dated May 3, 1888, and (b) as affecting Professional Military and Naval Lives, dated May 21, 1890, by A. H. Smee, M.R.C.S., and T. G. Ackland, F.I.A.

(4) Paper on the Mortality Experience of the Imperial Forces during the War in South Africa, 1899-1902, by Frederick Schooling, F.I.A., and E. A. Rusher, F.I.A., in Vol. XXXVII. of the *Journal of the Institute of Actuaries*.

In paper No. 3, by Messrs. Smee and Ackland, after comparing their own with previous investigations, the authors record their opinion that "the average rate of death of the army in the field may be estimated at about 5 per cent. per annum of the force engaged." They computed the death-rate in the American Civil War as 7 per cent. per annum.

During the South African war the extra premium generally charged by British life offices, in cases of new assurances or of assurances in force where the risk was not already covered by contract, was £5 5s. per cent. for the first year of the war and £2 2s. per cent. per annum afterwards. These extras do not appear to have covered the extra risk, for in the first year of the South African war the mortality experienced by the officers of the Regular forces seems to have been about 8 per cent. of the number engaged. Messrs. Schooling and Rusher estimate that the mortality in this war for officers alone during the whole period of the war was at the rate of 5.3 per cent. per annum, and for the whole force of officers and men 3.81 per cent. per annum. They say: "These annual death-rates practically give the required annual premium per £100 according to the actual war experience, including the risk of death from normal mortality, and make allowance for the return of a portion of the premium for any unexpired fraction of a year. They fall considerably below the rates deduced from the mortality of the German Army during the Franco-German war, and compare even more favourably with the death-rates experienced by the Northern Army during the American Civil War. It should be noted, for it is most important, that the rates are for the period of the war only, and cannot be said to represent the correct extra premium for existing policies at the commencement of the war, or for a new policy to be continued after the expiration of the war. They are, in fact, the term premiums for a temporary assurance. On the one hand, it is true the rates cover the risk of death from normal mortality, but, on the other hand, they do not take into account the probability of deterioration through wounds or disease contracted during the campaign. What the value of this liability to deterioration is it is impossible to say, but no doubt it is very considerable."

It may also be pointed out that the premiums referred to make no allowance for commissions or expenses, and also that an equivalent annual charge does not seem to fit the case, as in the South African war the rate of mortality was higher in proportion to

the forces engaged in the first year than in subsequent periods of the war.

Of late years and in time of peace it has been the practice amongst most British life offices to cover any war risk during currency of policies on British military or naval officers, in all cases where the officers prefer this method to paying the ordinary premium and taking the chance of being called on to pay such extras as may be imposed in time of war, by a small annual extra premium (in the majority of cases 10s. per cent. on the sum assured), sometimes payable until retirement from service, sometimes for 10 years only, and sometimes for 10 years as a maximum, but ceasing on previous retirement during that period. In some other cases it has been arranged only to charge the ordinary rate of premium under participating policies, but to defer participation in profits until retirement from active service.

Shortly after the declaration of war between this country and Germany a meeting of representatives of life offices made certain recommendations as to extras to be charged for war service, and these recommendations have apparently been approved by the Associated Scottish Life Offices. Their general effect appears to be as follows:—

(a) In the case of Territorials volunteering for foreign war service, and in the case of the new levies raised for this war only, no extra premiums for war risk to be charged in respect of existing policies. If, however, policyholders continue in military service after the conclusion of the war they are to be liable to extra premiums for war risk in the same way as those serving in the Regular Army.

(b) In the case of the Regular Army, where war extra is not already specifically covered by the contract, an extra of five guineas to be charged for one year or less on the existing assurances of combatants, and three guineas per cent. for non-combatants. For new assurances the extra charge for combatants to be seven guineas per cent., and for non-combatants five guineas per cent.

(c) With regard to those serving in the Navy afloat at home or abroad, it is recommended that in the case of combatants or non-combatants there should be an extra charge of five guineas per cent. on new assurances. For those engaged ashore in home service it is recommended that no extra be charged. It is also recommended that no extra premium should be charged on the assurances of the Royal Naval Volunteer Reserve and the Royal Naval Reserve.

Whilst it is probable that these recommendations will find general acceptance amongst British life offices, there are indications that under certain descriptions of policies more favourable terms may be obtained by military and naval officers.

Thus the directors of the Atlas Assurance Company announce that they are prepared to issue a special war life policy covering risk of active service with His Majesty's forces, at home or abroad, without payment of the usual extra premium, under an endowment assurance policy, payable at the end of 25 years or at previous death, at the following inclusive rates of premium at certain specified ages as follows:—

Age at Entry	Special Annual Premium per £100			Excess over Normal Annual Premium		
	£	s.	d.	£	s.	d.
20	4	0	6	3	6	
25	4	1	10	3	7	
30	4	4	0	3	7	
35	4	7	1	3	8	
40	4	11	7	3	10	

For these rates Territorials, Yeomen, members of Kitchener's armies, and, generally speaking, all men who in ordinary times follow non-hazardous civilian occupations will receive unconditional policies in the usual Atlas form containing the words: "This policy is free from all restrictions as to foreign residence, travel, or occupation." Professional soldiers (and also sailors) for these rates, however, will receive

Atlas policies of this description covering them for the present campaign, but reserving the right to make a further charge for any subsequent war they may be engaged in. When the present campaign is over these professional soldiers and sailors will be given the option of paying the usual small annual extra premium until retirement in order to make their policies unconditional.

The General Manager of the Atlas Assurance Company informs the writer of this article that, in deciding to adopt this scheme, his directors were influenced by a desire to make the burden of life assurance as light as possible (consistent with equity to their other policyholders) to men who are defending their country in the present crisis. The scheme will doubtless be welcomed by many who feel called on to discharge this supreme national duty, and the patriotic action of the Atlas Company should be widely appreciated. We should be pleased to give similar publicity to any other special schemes of British life offices calculated to facilitate the assurance of soldiers and sailors of all classes on attractive terms, as an alternative to the heavy extras generally imposed on ordinary policies.

Financial Notes.

THE New York City issue through the Messrs. Morgan and Kuhn, Loeb and Company is reported to have been a great success. One half of the issue was taken firm by the underwriting syndicate. As regards the balance offered to the public, the subscriptions amounted to almost \$150,000,000. Consequently, although small bidders received full allotment, applications for large amounts received only about 30 per cent. of the amount tendered. Each of the three series of bonds is quoted at a premium in New York. Evidently the disorganisation caused by the sudden outbreak of the war is passing away.

According to another telegram from New York no syndicate will be formed to establish the gold pool intended to put the foreign exchanges upon a sound basis. It is proposed that the total fund shall be 100 million dollars, or 20 millions sterling, and that New York shall subscribe of this amount 45 million dollars, or nine millions sterling. All banks in the Central Reserve Cities and in Boston and Philadelphia will be asked to participate, and if they agree bankers in the Reserve Cities throughout the country will likewise be invited to join.

The *Egyptian Gazette* has recently published a letter on the cotton question from a correspondent who is stated to have great experience as a cotton grower. He estimates the total amount that will be required to tide the fellaheen over the difficulties caused by the war at from 14 to 17 millions sterling, of which about 2 or 2½ millions will be required to enable the fellaheen to pick and store the cotton. The rest will be needed for paying taxes and enabling the fellaheen to live until they can sell their cotton at a

LONDON CITY & MIDLAND BANK

LIMITED.

ESTABLISHED 1836.

SUBSCRIBED CAPITAL	-	£22,947,804
PAID-UP	- - -	4,780,792
RESERVE FUND	- - -	4,000,000
DEPOSITS	- - - -	112,347,660

fair price. The sum is, of course, a large one for a poor country like Egypt; but the crisis is grave, and the difficulties are brought on by causes over which neither the Government nor the people of Egypt have any control. Therefore it is urgently necessary that whatever sums are needed shall be provided.

The correspondent just referred to argues that the war will not very seriously curtail the demand for cotton. We are inclined to agree with him, for if our Navy continues to maintain command of the sea, and if common-sense is used by the commercial community and the various Governments, we see no reason why any branch of trade should be seriously reduced. In support of his argument the correspondent points out that for 1913 the total value of raw cotton exported from Egypt was a little over 25½ million Egyptian pounds; to which has to be added the value of the cotton seed exported, amounting to somewhat over 3¼ million Egyptian pounds. Of this total the British Empire took over 11 millions of cotton and nearly 1¼ millions of cotton seed; France, Germany, and the United States each took nearly 2¼ millions of raw cotton; Russia, over 2 millions; Austria, over 1½ millions; Italy, nearly a million; Spain, over half a million; and other countries, including India, considerably over 1½ millions.

Although this year Egypt has had a very bad Nile the cotton crop promises to be one of the finest ever gathered. Indeed, estimates are as high as eight million cantars. If the demand proves large Egypt, therefore, will be greatly benefited. At the same time it is to be recollected that the cost of the crop has been enhanced by the lowness of the Nile, for the growers have had to employ all available machinery to supply the plant with the proper moisture. On the other hand, it is to be recollected that there is at present a strong demand for cotton for very many purposes; and, as has just been pointed out, the British Empire is the largest consumer of cotton of all kinds, and especially of Egyptian cotton; while at the present time, although the war is injurious to trade in so many ways, it is creating a very large demand for many commodities, amongst the rest for cotton goods.

We are happy to say that the news from India continues most satisfactory. We are almost at the end of September, when normally the monsoon is expected to close, and it can be said with certainty now that it has been an exceedingly good monsoon. Consequently the crops promise to be most excellent, and India will have an exceedingly good year. It is too early yet for great activity, even in times of peace. But business is good. The intelligence from every quarter is that credit is improving, confidence is strong, and everybody is looking forward to a good year. All this is most favourable to cotton, for India, it will be recollected, is a great consumer of cotton goods. Therefore, the Indian demand for Lancashire cloth promises to be large, and that in its turn will give a stimulus to the demand for Egyptian cotton. We may add that Lancashire opinion is that there will be a very fair demand for all kinds of cotton.

R. and J. Hill, Limited, who have presented, with the consent of the authorities, 100,000 of their cigarettes to the men of the Navy, and also 100,000 to the soldiers at the Front, are devoting half their profits on the sale of their Campaigner cigarettes to the war distress funds. In their Campaigner cigarettes they are enclosing coloured pictures of the various types of the Army, with the battle records of the regiments, which should stimulate the interest of the man who is anxious to do something for his country.

Guaranty Trust Company

Head Office: 140 Broadway, New York. N.Y. Branch Office: 5th Ave. and 43rd Street, New York.

CHARTERED 1864.

PAID-UP CAPITAL and SURPLUS, £6,000,000.

Condensed Statement, June 30, 1914.

RESOURCES.		LIABILITIES.	
Real Estate ...	£520,731	Capital ...	£2,000,000
Bonds and Mortgages ...	57, 20	Surplus Fund ...	4,000,000
Public Securities ...	3,109,478	Undivided Profits ...	244,413
Other Securities ...	10,0 5,610	Outstanding Treasurer's Cheques ...	1,262,734
Loans and Bills Purchased ...	23,603,946	Accrued Interest payable... ..	39,058
Cash—on hand and in Banks ...	8,839,840	Reserve for Taxes and Expenses ...	57,916
Exchanges for Clearing House ...	4,585,191	Foreign Accounts ...	2,231,033
Foreign Exchange ...	5,569,625	Domestic and Foreign Acceptances ...	2,556,447
Credit granted on Domestic and Foreign Acceptances ...	2,556,447	Deposits ...	46,776,479
Accrued Interest and Accounts receivable... ..	270,089		
	£59 168,078		£59 168 078

Tel. Address: LONDON OFFICE: 33 LOMBARD STREET, E.C. Avenue 7020 (4 lines).

American Topics.

NORFOLK AND WESTERN RAILWAY.

In considering the position of any important undertaking at the present time, due account must be taken of the fact that the existing conditions are temporary, and that after a time matters will again become normal. Having regard to the almost inexhaustible latent natural resources of the United States, it is obvious that, humanly speaking, nothing can seriously or for any long period interfere with the progress and prosperity of the American people. It is true that during a period of war the amount of capital available for investment in the United States, both home and foreign, is likely to be unusually small. Europe is at the moment expending its capital resources in financing its war outlays, and it is probable that the American people may also employ a part of their capital resources in a similar manner, not directly, but indirectly, by taking payment in American securities for a part of their exports of goods. But all this merely means a very slight and temporary halt in the progress of the country, and that as soon as the European conflict terminates, and the normal amount of capital is available for productive enterprise, the country will again make its normal rate of progress. Indeed, we anticipate that within a very short time after the war its effect as far as the United States is concerned will be largely obliterated in consequence of the influx of immigrants likely to take place from the Continent, and especially from Germany, and by the increased efficiency and increased saving power which will probably result from the experiences of the United States in common with other countries during the present war.

No one can doubt that, whatever happens, the American nation will grow in numbers and in productive power, and that the expansion of its industries from period to period will be very great. Consequently, no one can doubt that the Norfolk and

Income Statement of the Norfolk and Western Railway.

Yr. to June 30	Aver. Miles	Gross Earnings.	Operating Expenses.	Ratio.	Net Earnings.	Misc. Income.	Net Income.	Taxes.	Fixed Charges.	Net Profit.	Div. on 4% Pref.	Balance.	Div. on Common.	Balance.
		\$	\$	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1914...	2,036	44,471,000	29,936,000	67-32	14,535,000	1,997,000	16,532,000	1,620,000	4,641,000	10,293,000	920,000	9,348,000	8-97	6,290,000
1913...	2,023	43,740,000	28,566,000	65-31	15,174,000	1,764,000	16,938,000	1,452,000	4,390,000	11,109,000	920,000	10,186,000	10-56	5,787,000
1912...	2,010	39,735,000	25,669,000	64-60	14,066,000	1,363,000	15,429,000	1,410,000	4,545,000	9,474,000	920,000	8,554,000	10-78	4,780,000
1911...	1,972	35,567,000	22,958,000	64-57	12,549,000	1,302,000	13,901,000	1,320,000	5,024,000	7,557,000	920,000	6,637,000	9-53	3,499,000
1910...	1,945	35,064,000	21,047,000	60-02	14,017,000	1,146,000	15,163,000	1,119,000	5,139,000	8,905,000	920,000	7,985,000	12-12	3,295,000
1909...	1,925	29,327,000	17,750,000	60-45	11,547,000	981,000	12,578,000	1,003,000	5,054,000	8,515,000	920,000	5,595,000	8-71	2,579,000
1908...	1,881	28,962,000	18,761,000	64-79	10,197,000	921,000	11,118,000	1,021,000	4,589,000	5,528,000	920,000	4,608,000	7-14	2,901,000
1907...	1,878	31,164,000	19,514,000	62-62	11,650,000	89,000	11,739,000	996,000	3,961,000	8,782,000	920,000	5,862,000	9-09	3,223,000
1906...	1,853	23,488,000	17,065,000	69-90	11,423,000	165,000	11,588,000	735,000	3,589,000	7,264,000	920,000	6,344,000	9-64	2,679,000
1905...	1,799	24,089,000	14,814,000	60-67	8,475,000	119,000	9,594,000	671,000	3,306,000	5,817,000	920,000	4,897,000	7-23	1,934,000
1904...	1,723	22,719,000	13,673,000	60-18	9,046,000	74,000	9,120,000	540,000	3,056,000	5,524,000	920,000	4,604,000	7-14	1,934,000
1898...	1,557	11,238,000	7,547,000	67-17	3,639,000	33,000	3,722,000	339,000	2,244,000	1,139,000	454,000	685,000	1-08	—
1894*	1,537	10,340,000	7,395,000	71-51	2,945,000	138,000	3,081,000	299,000	3,253,000	471,000†	Nil	471,000†	Nil	—

* Year to December 31.

† Deficit.

(a) Dividend for half-year.

Western Railway, whose prosperity is so closely connected with the development of the bituminous coal supplies of the Virginias, will maintain a high level of well-being. The development of the bituminous coal industry in the last generation has been of the most remarkable character, and, apart from temporary checks, there is little doubt that the future rate of expansion will be as rapid as in the past. In 1880 the total bituminous coal production of the United States was no more than 42,000,000 tons, whereas in 1913 it was nearly 479,000,000 tons—more than a ten-fold growth in a single generation. In 1880 the bituminous coal production of West Virginia, Virginia and Kentucky was less than 3,000,000 tons, and last year it was nearly 100,000,000 tons. In 1895 the production was no more than 14,000,000 tons, and in 1905 it did not exceed 45,000,000 tons. The vast expansion in the coal production of the Virginias and of Kentucky means a corresponding expansion in the traffic of the Norfolk and Western Railway. The really enormous growth of the coal production of Kentucky, and especially of the Virginias, both in recent years and since 1880, will be realised from the following statement:—

Annual Bituminous Coal Production of the United States.

Year.	West Virginia, Virginia, and Kentucky. Short Tons.	Other States. Short Tons.	Total United States. Short Tons.
1913	99,753,660	378,769,553	478,523,203
1912	91,123,846	359,981,136	450,104,982
1911	80,746,000	325,161,000	405,907,000
1910	82,302,000	334,309,000	417,111,000
1905	45,088,000	236,327,000	281,415,000
1895	14,338,000	106,193,000	120,581,000
1885	5,275,000	53,292,000	63,567,000
1880	2,769,000	39,088,000	41,857,000

As the volume of its business expands the Norfolk and Western is careful to enlarge the size of its plant and machinery in order to deal with a wholesale traffic in a wholesale manner. In 1904 its traffic was less than 4,000,000,000 ton miles, and its average train load was then 488½ tons. In the past year its traffic was over 9,000,000,000 ton miles, and this was dealt with in an average train load of no less than 802 tons. And experiments are being made for ascertaining if still greater units of operation are feasible and economically possible. The Company is now putting into service cars of still greater capacity, and in the past year has acquired 748 cars of 90 tons capacity. Furthermore, 30 miles of line in the mountainous districts of West Virginia are now being equipped with electricity, in order to enable the Company to deal with much greater train loads on the heavy gradients which are inevitable in that district. The work is expected to be ready for operation in January next, and the combined effect of introducing 90-ton cars and of electrifying the line where gradients are heavy will doubtless be to increase the average train load to something like 1,000 tons. At any rate, notwithstanding the Company's enormous average train load at the present time, it is working to effect still greater economies.

When one considers the work that is being done

by railways such as the Norfolk and Western to introduce economies into the handling of traffic, and when one realises that these efforts are being watched with admiration by the whole world, one is at a loss to account for the attitude of the Interstate Commerce Commission in refusing to grant the Eastern railroads power to increase their charges in some measure, even to the small extent of 5 per cent., on the ground among others that the railway companies are not operating their traffic in an economical manner. It is obvious that unless the Norfolk and Western had introduced really wonderful economy into its operations it could not have so greatly increased the rate of wages paid to its staff or secured the profits earned in the past year. In 1904 the average rate per ton per mile was .4932c., and in the past year it was only .415c., a reduction of .078c., or about 16 per cent. In spite of these conditions a profit equal to nearly 9 per cent. was earned upon the stock, and after distributing a 6 per cent. dividend there was a surplus of \$3,088,000. The application for increased rates was made with a view to the maintenance of a reasonable profit, in order that the companies might be able to raise the capital they needed to expend in a period of slack trade. Unless railway companies raise and spend capital when trade is relatively slack they find great difficulty in raising and spending capital at all, for in periods of active trade capital is required for the development of other industries offering greater profit and better dividend attractions.

A fresh application has now been made to the Interstate Commerce Commission to permit the Eastern roads to raise their rates and thus to maintain a margin of profit over and above their dividends which will enable them to raise the new capital they now urgently require to spend, and in the new circumstances that have arisen there certainly seem to be good grounds for anticipating that the new application will meet with greater success than the first one.

At the present time special attention is necessarily being paid to the financial strength of undertakings of all kinds and descriptions.

Both as regards profits and working assets the Norfolk is well situated. In the past year its net income after payment of taxes was nearly \$15,000,000. Of this sum less than \$5,000,000 was needed to meet the fixed charges, a proportion of only 31 per cent. The dividend on the Preferred stock called for \$920,000, and including this dividend the proportion of charges to net income was 37 per cent., and after the payment of the 6 per cent. dividend there was a margin of over \$3,000,000 of profit, equal to nearly 7 per cent. of the gross earnings. Beyond this margin of profit behind the dividend on the Common stock is the ability to reduce expenses with a falling off in traffic, so that a much greater decline than 7 per cent. should take place in gross earnings before it became essential to reduce the dividend upon the stock. There appear to be reasonable grounds for anticipating that the Norfolk will succeed in maintaining its 6 per cent. distribution, but if it does

not succeed it is obvious that it will be able to maintain a substantial dividend. Our personal opinion is that the prosperity of the United States in consequence of the greatness of its cereal crops and the need of Europe to purchase them will be maintained at a fairly high level, notwithstanding the fall in the price of cotton which may adversely affect the purchasing power of the South.

From the point of view of cash resources the Company is also in a strong position. Beyond holding \$8,000,000 of cash, against which it had working liabilities of \$3,500,000, it had \$12,352,000 of short-term investments. This money will, of course, not admit of much new construction work, but the Company is likely to experience no difficulty as far as its cash resources are concerned in weathering the economic storm through which the whole world is now passing. Of course, one has to bear in mind that beyond the actual cash resources in the Treasury the credit of the Company is excellent and should enable it to borrow any additional sums it may need. To show the financial strength of the Company as far as its earning power is concerned we give the Income Statement herewith.

The balance sheet showing the amount of cash and cash assets available for meeting any payments it may have to make is shown in the report of the Company published on a subsequent page.

We have not referred to the question of short-term bonds for the good reason that the Company has issued none. The \$12,500,000 of Equipment Trust Obligations as they mature over the next ten years will be redeemed by the sums set aside for the depreciation of equipment. Thus it will be evident that the Norfolk is very strong financially and that its administration is of a very high order. To show clearly what the Company has accomplished in the last 16 years we give the following statement:—

Condition of Norfolk & Western, June 30, 1914 and 1898.

	1913-14.	1897-98.	(+ or - 16 Yrs.)	%
Capital expended on road and equipment ...	\$224,708,703	\$136,232,700	+ \$88,474,003	+ 64.9
Mileage—				
Main line ...	1,542.98	1,434.62	+ 108.36	+ 7.5
Branches ...	479.89	122.46	+ 357.43	+ 291.0
Second track ...	490.74	59.23	+ 431.51	+ 728.7
Third track ...	3.20	—	+ 3.20	—
Sidings... ..	1,229.88	452.70	+ 777.18	+ 171.7
Total	3,746.69	2,069.01	+ 1,677.68	+ 81.1
Locomotives—				
Number	1,057	471	+ 586	+ 124.4†
Tractive power (lb.) ...	40,506,902	11,438,406*	+ 29,068,496	+ 253.3†
Freight cars—				
Number	47,483	19,686*	+ 27,797	+ 141.2†
Capacity (tons) ...	2,308,390	585,625*	+ 1,722,765	+ 294.2†
Weight of rail, main line—				
100 lb. (miles) ...	277.53	—	+ 277.53	—
85 lb. (miles) ...	1,103.17	222.07	+ 881.10	+ 396.8
75 lb. (miles) ...	66.69	42.10	+ 24.59	+ 58.4
67 lb. and under (miles)	95.59	1,172.78	+ 1,077.17	+ 91.8
Average miles open ...	2,036	1,557	+ 479	+ 30.8
Units of traffic—				
Ton miles	9,155,506,727	2,301,312,744	+ 6,854,193,983	+ 297.9
Passenger miles ...	229,755,250	66,797,454	+ 162,957,796	+ 244.0
Total units	9,385,261,977	2,368,110,198	+ 7,017,151,779	+ 298.3
Aver. do. per mile of road	4,609,861	1,520,944	+ 3,088,917	+ 203.1
" " track	3,729,046	1,465,142	+ 2,263,904	+ 154.5
Train miles—				
Freight	11,315,288	6,483,290	+ 4,831,998	+ 74.5
Passenger	4,312,126	2,111,989	+ 2,200,137	+ 104.2
Total train miles ...	15,627,414	8,595,279	+ 7,032,135	+ 81.8
Aver. do. per mile of road	7,676	5,520	+ 2,156	+ 39.1
" " track	6,209	5,317	+ 892	+ 18.8
Train loads—				
Freight (tons) ...	802	355	+ 447	+ 125.0
Passenger (number) ...	52	32	+ 20	+ 62.5
Freight receipts—				
Per ton mile	415 c.	404 c.	+ 11 c.	+ 2.7
Per passenger mile ...	2.136 c.	2.197 c.	+ 61 c.	+ 2.8
Gross receipts	\$44,470,619	\$11,236,123	+ \$33,234,496	+ 295.8
Operating expenses ...	29,935,842	7,547,315	+ 22,388,527	+ 286.7
Net receipts	14,534,777	3,688,808	+ 10,845,969	+ 294.0
% of do. to capital expended ...	6.5 %	2.7 %	+ 3.8 %	+ 140.7

* As at June 30, 1901. Particulars of tractive power of locomotives and capacity of freight cars not previously available. † Increase in 13 years.

The prices of and yields afforded by the Company's securities at the prices current on July 30 are as follows:—

Yields Afforded by Principal Securities of Norfolk & Western Ry.

Description.	Amount Outstanding.	Date of Redemption.	Int. or Div. Rate Paid.	Price.	Yield per An. %
8 % General Mortgage ...	7,283,000	May 1931	6 1/2	124 1/2	4 8 4
Imprvmot. & Exten. 5% Mt.	5,000,000	Feb. 1934	6 F & A	125 1/2	4 7 11
Scio. Val. & N. E. 4% 1st Mt.	5,000,000	Nov. 1989	4 M & N	93 1/2	n4 5 4
N. & W. 4 % 1st Cons. Mt. ...	40,337,500	Oct. 1996	4 A & O	98 1/2	n4 6 0
4% 1st Lien & Gen. Mt. ...	23,000,000	July 1944	4 J & J	92 1/2	4 14 8
Wines-Sal. So' b'l. 1st Mt. ...	5,000,000	July 1950	4 J & J	86	4 15 2
Pocahontas 4 % bonds ...	17,932,000	Dec. 1941	4 J & D	88 1/2	4 15 1
N. & W. 4 % Conv. bonds ...	3,541,000	June 1932	4 J & D	107 1/2	n3 17 10
4% 20-Yr. Conv. Bonds ...	613,300	Sept. 1932	4 M & S	100	n4 0 0
4% Convertible Bonds ...	9,825,200	Sept. 1933	4 1/2 M & S	107 1/2	n4 8 0
4 % Non-Conv. Pref. stock ...	22,931,700	—	4 F17MAN	85 1/2	4 17 0
Common stock	107,558,900	—	6 M18JSD	101 1/2	6 4 4

(*) New York price. Purchaser also pays accrued interest. (†) London price. Yield allowing for exchange & accrued interest. (b) Basis. (c) Convertible into Common \$ for \$ prior to June 1, 1917. (d) Convertible into Common \$ for \$ prior to Sept. 1, 1922. (e) Conv. into Common \$ for \$ prior to Sept. 1, 1923. (g) Guar. by N. & W. Ry. and Atl. Coast Line. (h) Joint obligation of N. & W. Ry. and Pocahontas Coal & Coke Ry. (n) Not allowing for redemption. (r) Allowing for redemption of bonds at par at maturity.

BILBAO RIVER AND CANTABRIAN RAILWAY.

THE announcement of an interim dividend of 4s. 6d. per share, or at the rate of 15 per cent. per annum, has come as an agreeable surprise to the shareholders of the Bilbao River and Cantabrian Railway Company, having regard to the conditions now obtaining. The distribution is in respect of the half-year to June last, and is at the same rate as a year ago, notwithstanding a heavy falling off in traffic receipts amounting to £8,593, or about 20 per cent. Moreover, in July there was a further shrinkage in earnings, and although August gave slightly better results than last year the aggregate decline for the eight months is £10,366, or 20 per cent. The Company is, however, in a strong position, and the slight turn in the tide of decreases noticeable in the result for August may be the commencement of a further series of increases. Last year, it will be recollected, the Company earned a profit of £43,540, a sum equal to a dividend of 26 1/2 per cent. on both the Preference and Ordinary shares. The whole of the profit was, however, not distributed owing to the necessity of writing down investments by £10,300. Nevertheless, a final distribution of 7s. 6d. per share made the rate for the year 20 per cent., as compared with 30 per cent. for 1912 and for several years previously. The excellent position of the Company will be apparent from the following table, showing the main results of working for six years to the end of 1913:—

	1913	1912	1911	1910	1909	1908
Gross receipts ...	71,632	77,874	78,799	91,703	108,596	107,071
Expenses	33,489	36,489	34,959	39,951	48,790	46,131
Ratio	(46.75)	(46.85)	(44.36)	(43.17)	(40.32)	(43.07)
Net earnings	38,143	41,385	43,840	52,112	64,806	60,940
Miscellaneous (net)	5,397	4,657	3,183	3,785	651	Dr. 1,254
Net revenue	43,540	46,042	47,023	55,897	65,457	59,686
Dividend on Ord. and Pref. shares	32,805	49,207	49,207	49,207	49,207	49,207
Rate per cent. ...	(20 %)	(30 %)	(30 %)	(30 %)	(30 %)	(30 %)
Balance	10,735	Dr. 3,165	Dr. 2,184	6,690	16,250	10,479
To Reserve Fund ...	—	—	—	—	10,000	10,000
" staff fund	—	—	—	—	2,500	—
" writing down investments ...	10,300	6,000	2,500	5,000	5,000	—
Total sum reserved	10,300	6,000	2,000	5,000	17,000	10,000
Balance	435	Dr. 9,165	Dr. 4,685	Cr. 1,690	Dr. 750	Cr. 479
Brought forward ...	406	9,571*	7,736	6,046	6,796	6,317
Carried forward ...	841	406	3,072	7,736	6,046	6,796

* Includes a transfer of £6,500 from reserve.

In view of the somewhat heavy falling off in earnings so far in the current year it is doubtful if the net results for 1913 can be maintained. Nevertheless, it must be borne in mind that the margin behind the dividend of 20 per cent. is large, and unless a further writing down of the Company's investments has to be resorted to the 20 per cent. dividend may again be forthcoming. Much will, of course, depend on the traffic results of the next few months. The price of the £3 share on July 30 last was 6 1/2, and allowing for accrued dividend the yield afforded by the distribution of 20 per cent. is as much as £9 1/4 per cent.

THE ARAUCO COMPANY.

AN interim dividend of 6s. per share, or at the rate of 6 per cent. per annum, is announced by the Arauco Company on account of the current year. This compares with a distribution at the rate of 8 per cent. per annum a year ago, when it will be recollected the payment of interim dividends commenced to be made. The smaller dividend means the payment of £1,778 less revenue, and this may approximately represent the loss of profit for the six months, seeing that the falling off in gross earnings was nearly £6,000. In July a further relatively heavy diminution in earnings was experienced, and for the seven months the decrease amounts to £7,539, or about 12 per cent. Doubtless the recent monetary stringency has had an adverse effect upon the Company's prosperity, and since the outbreak of war in Europe the depression has been further accentuated. The Company is, however, in a strong position, and in recent years has earned large profits for its shareholders. In 1912 the profit for dividend amounted to £84,557, and although last year there was a set-back, nevertheless the divisible surplus totalled no less than £75,698, a sum equal to a dividend of 16 per cent. on the share capital. The margin behind the dividend of 10 per cent. was thus as much as £28,000—a surplus sufficient, under ordinary circumstances, to assure the maintenance of the dividend. In the present condition of affairs it is difficult to foresee what the outcome of the year will be; but, having regard to the profitable nature of the enterprise, it is undoubtedly in a position to successfully withstand a heavy set-back. If the present rate of decline continues the gross earnings for the twelvemonth would show a diminution of something like £15,000, and were the whole of this loss of profit the divisible surplus would still be equal to a dividend of 12½ per cent. Whilst, as we have said, it is difficult to arrive at any satisfactory conclusion as to the possible results for the year, two important factors in the situation must not be lost sight of. The first is that with any reduction in gross receipts owing to loss of business a considerable saving in expenditure will probably be effected; and the second, that six months hence, when the final dividend for the year is under consideration, the European situation may have greatly changed for the better, if, indeed, hostilities are not entirely at an end. The profitableness of the undertaking and the excellent progress made in the recent years will be appreciated by a glance at the accompanying table, in which we set out the main results of working for the last four years:—

The Arauco Company.

	1913	1912	1911	1910
	£	£	£	£
Net revenue of railway ...	48,516	62,199	52,912	64,549
Net revenue of mines ...	67,251	62,463	57,472	28,625
Miscellaneous ...	4,307	3,763	2,398	2,018
Total ...	120,074	128,425	112,782	85,190
London charges, &c. ...	4,962	4,828	5,860	7,303
	115,112	123,597	106,922	77,887
5 % First Debenture stock ...	14,908	14,908	14,908	14,908
6 % Second Debenture stock ...	12,216	12,464	12,784	13,481
Income Debentures ...	3,750	3,750	3,750	3,750
Redemption fund, 2nd Deb. stock ...	8,540	7,918	7,598	6,901
Total charges ...	39,414	39,040	39,040	39,040
Net profit ...	75,698	84,557	67,882	38,847
Dividend on Ordinary ...	47,782	47,782	28,669	11,945
Rate per cent. ...	(10 %)	(10 %)	(6 %)	(24 %)
Surplus ...	27,918	36,775	39,213	26,902
To reserve ...	25,587	35,000	40,000	10,000
Balance ...	2,329	Cr. 1,775	Dr. 787	Cr. 16,902
Brought forward ...	21,718	19,943	20,730	3,828
Carried forward ...	24,047	21,718	19,943	10,730

The price of the £10 shares on July 30 was 9½. Intrinsically the shares are worth the figure even were there to be a considerable "cut" in the dividend, whilst if the distribution of 10 per cent. is maintained a marked rise in price should be witnessed.

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THE Royal Exchange is one of the oldest insurance companies in this country, and indeed in the world. Since the days of George I. it has carried on business in the heart of London, and always under the control of a strong and influential directorate. It transacts every section of insurance cultivated by joint-stock companies.

The Company's life department in particular has shown great activity of late years, and the annual report for 1913 indicates continued progress in this section. The new life policies assured a total sum of £1,173,352, of which £182,600 was reassured. The net retention of new business at the Company's own risk amounted to £990,752, as compared with £929,804 in 1912. The net amount of new life business effected within the United Kingdom in 1913 was £929,354. The total net life premium income last year, increased by £12,901, amounted to £360,375, of which expenses of management, inclusive of commission, absorbed about 15.3 per cent., a proportion well within the margin of premiums reserved for expenses and contingencies on policies in force at the last quinquennial valuation. The claims by death, £193,316, are reported to have been less in amount than those "expected" according to the valuation mortality tables. Endowment assurances for £46,851 matured by survivance, and the sum of £33,670 was expended in payments on surrenders of policies and bonuses, and allowances by way of reduction in premiums. After writing off £22,000 for depreciation in investments, the life assurance fund was increased through last year's operations by £151,048 to £3,680,326, and the average net interest yield thereon throughout the year was £4 0s. 2d. per cent., after deduction of income tax, as compared with the valuation assumption of 3 per cent. The next quinquennial

valuation falls due on December 31, 1915. The last quinquennial distribution produced bonuses to participating policies at the "compound" rate of 28s. per cent. per annum. The annuity business is an important section. The Company was one of the first to offer special annuity terms to impaired lives. The annuity account for 1913 shows that a sum of £112,216 was received as consideration for new contracts, and after application of £39,000 to depreciation of investments the annuity fund was increased by £10,284 to £914,246. The capital redemption account shows premiums of £23,894 and a fund at the close of the year of £81,281.

The results in what may be described as the commercial section of the business were as follows:—

In the fire department the premium income (increased by £44,380) amounted to £883,987. After adjustment of the reserve for unexpired risks, the trading profit seems to have amounted to £58,806 (apart from departmental interest earnings of £4,944), or to about 6.7 per cent. of the premium turnover. This is not a high proportionate profit in a non-conflagration year.

The marine and accident sections show better proportionate results. Thus the marine premiums (decreased as compared with 1912 by £57,837) amounted to £295,936, and the trading profit was £36,396 (12.3 per cent. of the premiums), apart from departmental interest earnings of £3,720. In the statements for 1912 the accident accounts were presented in three sections, relating to (1) employers' liability business within the United Kingdom, (2) personal accident business, and (3) other descriptions. The figures for 1913 relating to the accident department are presented in one comprehensive account. The premiums amounted to £282,048, and the trading profit was £36,054 (12.6 per cent. of the premiums), apart from interest earnings of £4,463.

In the profit and loss account the surplus of interest and other earnings (including a suggestive item of £131 as "conscience money") not departmentally credited over expenses not departmentally charged amounted to £21,882.

The shareholders' life profits are dealt with only at quinquennial intervals, and therefore are not brought into the 1913 account. The profits shown for the other sections, as above referred to, aggregate £167,670, of which £132,661 represented trading profit and £35,009 interest earnings after deduction of certain expenses. The paid-up capital amounts to £689,220. A dividend of 10 per cent. (as for 1912) is declared thereon, free of income tax, 4 per cent. of this having been paid as interim dividend in November 1913. Apart from tax, the amount required for its distribution is accordingly £68,922. The sum of £30,000 is applied to depreciation of investments, and the balance carried forward after provision for full year's dividend is increased, as compared with the previous year, by £68,748 to £539,470. The amount of this increase, it may be noted, is nearly equivalent to that of the dividend, so that on the whole the Company may be considered to have had last year a satisfactory all-round experience.

The total assets appearing in the balance sheet as at December 31, 1913, amounted to £7,093,063, Stock Exchange securities having been taken at middle prices at that date, less accrued interest and dividends. The directors certify that in their belief the assets were in the aggregate fully of the value stated.

Apart from paid-up capital and life, annuity and capital redemption funds, the following reserves are carried forward to 1914, after provision for full year's dividend:—

Fire insurance fund	£ 403,595
Marine insurance fund	251,240
General accident fund (exclusive of £64,746 reserved in respect of outstanding claims) ...	112,819
Balance of profit and loss account	539,470
	<hr/>
	1,307,124

The premium income in the fire, marine and accident sections in 1913 amounted to £1,461,971. Thus the reserves above shown represented about 89.7 per cent. of the income.

NORWICH UNION MUTUAL LIFE ASSURANCE SOCIETY.

For many years now this office has annually reported the largest amount of new life business amongst British institutions not engaged in industrial insurance. It has again broken all its own brilliant records. The life policies issued in 1913 covered sums assured of £6,128,630, of which £771,845 was reassured, the net amount retained at the Society's own risk thus being £5,356,785, as compared with £4,930,076 in 1912. Policies for £2,794,738 in net amount were effected within the United Kingdom, the balance of £2,562,047 relating to foreign and colonial business. In every respect affecting profits to policy-holders the results from last year's operations appear to have been eminently satisfactory. Excluding the acquired business of the Scottish Imperial Company, the total net life premium income amounted to £1,446,893, showing an increase of £126,598. The expense ratio, about 16 per cent. of the premiums, was very moderate, taking into consideration the unusually large proportion of the new business, which appears therefore to have been economically obtained. The incidence of mortality was exceptionally favourable, the amount paid in death claims, £394,927, being less than that anticipated by the usual mortality investigation by £183,654. Policies for £129,558 matured through survivance. The life assurance fund was increased through the operations of the year by the enormous sum of £954,738 to £9,900,984; and the net interest yield thereon, after deduction of income tax, seems to have been £4 4s. 2d. per cent., as compared with £4 2s. 6d. per cent. in 1912. The valuation rate at which it is actuarially assumed that the funds will accumulate is only £2 10s. per cent. Consequently the profit from interest appears to have been £1 14s. 2d. per cent. on the mean funds, which, in combination with that arising from favourable mortality, must have an excellent effect on the next quinquennial valuation on June 30, 1916, and on the prospects of the Society maintaining its high standards of bonus.

The annuity account for 1913 shows that the sum of £80,295 was received as consideration for new annuities granted, and that the annuity fund at the close of the year amounted to £1,041,265; capital redemption premiums, £123,889; relative fund, £942,952; Scottish Imperial premiums, £34,069; relative fund, £672,482. Total assets, December 31, 1913, £12,076,294, exclusive of Scottish Imperial assets of £734,186.

MEXICAN RAILWAY.

THE Mexican Railway Company continues to secure better results, and last week's traffic return, showing an increase in receipts of \$50,000, is certainly encouraging, seeing that it reduces the aggregate falling-off to date this half-year to under \$97,000. A greater feeling of confidence is apparent in Mexican affairs under the Carranza Government, but events move so rapidly in the Republic that it is dangerous to predict with any degree of certainty how long the improvement will last. The country is naturally in a bad way after the prolonged state of revolution, and money is badly needed to put its finances in order. Some time ago a large loan was talked of, and under ordinary circumstances doubtless the money could have been raised. But now, with practically the whole of Europe at war, the possibility of issuing a Mexican loan for a very long while is out of the question. However, holders of Mexican railway securities must be thankful for small mercies, and if the present Government only succeeds in maintaining peace something will have been accomplished for which everyone will be grateful.

THE BREWING INDUSTRY.—I.

It is doubtless well known that there are two theories extant with regard to the drinking habits of the nation. Both are fairly strongly held and have received the support of thinking people. The first argues that the nation is year by year becoming more sober, that the general tendency is for the consumption of alcohol to become less and less, and that it is therefore only a matter of time before the position of brewery companies will be very seriously affected by the nation adopting year by year a policy of more general abstinence. Those who hold this theory rely largely on the spread of education bringing home to the people the fact that at bottom alcohol is of the nature of a poison, and that, therefore, contiguous widespread indulgence must in the long run injuriously affect the stamina of the people. And medical testimony of a convincing nature is brought in support of the statement. It is also hoped that education will have the effect of drawing attention to the enormous waste and the admitted evils from which the nation is suffering owing to its drinking habits. Support is lent to this theory by the fact that drunkenness is far less prevalent than it was, and if, to use somewhat of a paradox, drunkenness is to be regarded as a test of sobriety, then perhaps there would be little difficulty in the adoption of such a theory.

The second theory is, that it is scarcely true to maintain that the nation is becoming more sober, and that the consumption of alcoholic liquors varies directly with the state of prosperity or depression of the general trade of the country, and the Excise returns relating to the home consumption of alcohol would appear to demonstrate the truth of this statement. When the country is doing well and the people are in full employment there is shown a rise in the amount of alcohol consumed, and when, on the contrary, the country is suffering from depression such as ensued after the South African war, when unemployment was very rife, the consumption of alcohol shows a marked falling off.

During the early fifties the consumption of beer per head of population was as low as 21.89 gallons; by the early sixties it had risen to 23.89 gallons *per capita*. For 1872, just after the Franco-Prussian war and when our trade was very active, the amount of beer cleared *per capita* reached the very large total of 31.86 gallons, and it may be noted that on only one occasion since that year has this large proportion been exceeded. This was in 1899, when this country was engaged in the South African war. For that year the amount consumed was the largest of any year, reaching the large figure of 36,841,077 barrels. This was fairly closely reached by the following year, when the clearances amounted to 36,076,841 barrels. These are the only two occasions on which the clearances have been in excess of 36,000,000 gallons. Accompanying the depression which followed thereafter, the amount consumed gradually fell away until for 1909 the clearances fell to 32,294,076 barrels, a smaller amount consumed than for any year since 1895; but whereas for 1895 the amount *per capita* was 29.58 gallons, for 1909 the amount *per capita* was only 26.11 gallons. It was this gradual reduction in the amount consumed *per capita* from the years 1899 to 1909 that gave prominence to the first theory initiated, that the nation was to become more and more sober as the years go by. But with a return of great prosperity to the country since 1909 the consumption of beer has once more taken an upward direction, and for 1913 the number of barrels cleared amounted to 34,915,687, this working out at a figure of 27.30 gallons *per capita*. It is true that for 1912 the clearances were smaller than they were for 1911, both actual and in proportion to the population; but this may probably be accounted for by the fact that the summer of 1912 was an exceptionally wet one, and owing to the absence of any spell

of dry, hot weather the tendency to heavy drinking would be lessened. Probably, however, a still more important factor was the prevalence of labour troubles during the early part of the year. Taking the twelve months to June 30, 1914, the clearances have amounted to nearly 35,500,000 barrels, which works out roughly to 27.62 gallons *per capita*. Herewith we set out the clearances of beer for home consumption for various years since 1852:—

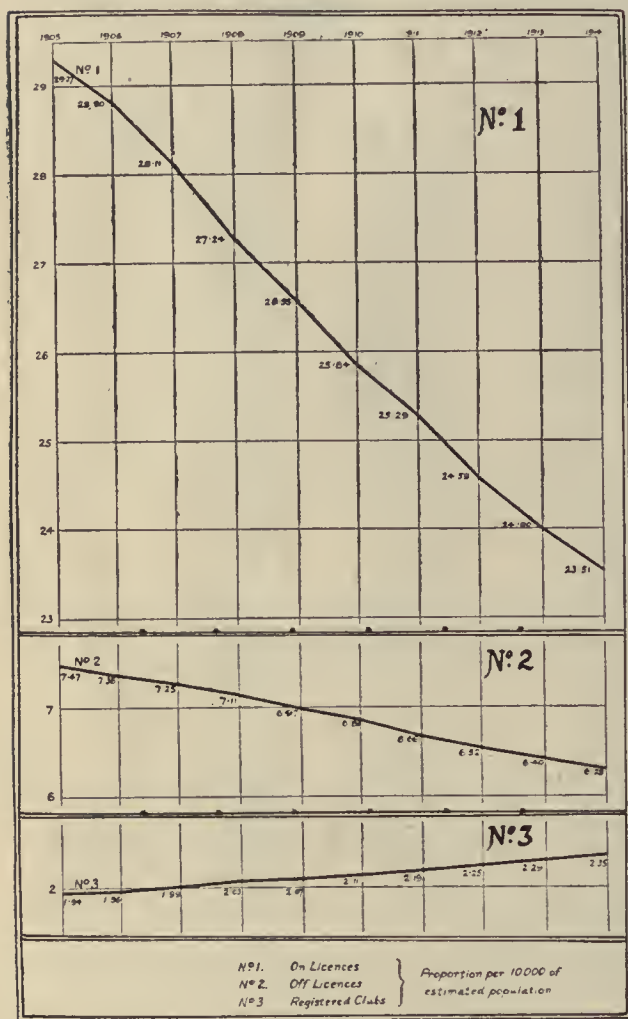
Total Clearances of Beer for Home Consumption, 1852 to 1913.

Calendar Year	Population at June 20	Clearances of Beer	
		Total Barrels	Clearings <i>per Capita</i> Gallons
1913 ...	46,035,570	34,915,687	27.30
1912 ...	45,662,646	33,913,219	26.74
1911 ...	45,277,114	34,246,675	27.22
1910 ...	44,914,591	32,830,073	26.31
1909 ...	44,518,264	32,294,076	26.11
1908 ...	44,122,777	32,939,472	26.87
1907 ...	43,736,942	33,786,474	27.81
1906 ...	43,360,331	33,918,101	28.16
1905 ...	42,980,188	33,250,654	27.85
1904 ...	42,610,920	34,224,685	28.91
1903 ...	42,371,216	34,948,720	29.69
1902 ...	41,961,199	35,243,472	30.24
1901 ...	41,550,773	35,608,804	30.77
1900 ...	41,162,471	36,076,841	31.56
1899 ...	40,772,365	36,841,077	32.53
1898 ...	40,379,096	35,624,166	31.76
1897 ...	39,985,831	34,755,905	31.29
1896 ...	39,597,643	33,884,900	30.79
1895 ...	39,220,114	32,225,743	29.58
1894 ...	38,858,306	31,745,419	29.41
1893 ...	38,489,806	31,594,350	29.55
1892 ...	38,133,817	31,509,694	29.75
1891 ...	37,802,381	31,677,288	30.16
1890 ...	37,484,764	31,236,818	30.00
1889 ...	37,178,929	29,823,773	28.88
1888 ...	36,881,271	27,874,301	27.21
1887 ...	36,593,143	27,726,208	27.27
1886 ...	36,313,582	27,134,114	26.90
1885 ...	36,015,601	27,101,236	27.09
1884 ...	35,724,231	27,583,526	27.80
1883 ...	35,449,721	26,828,040	27.25
1882 ...	35,206,617	27,023,616	27.63
1872 ...	31,835,757	28,171,661	31.86
1862 ...	29,255,015	19,327,191	23.80
1852 ...	27,500,000	16,732,454	21.89

The figures in black type show the movements accompanying periods of good and bad trade.

In conjunction with the Excise figures shown above it is interesting to note the information afforded by the licensing statistics. On January 1, 1913, there were in England and Wales 88,739 premises licensed by justices for the sale of intoxicating liquor for consumption on or off the premises, now known as on-licensed, and 23,632 premises licensed for sale for consumption off the premises, known as off-licensed, giving a proportion according to the estimated population of 24.04 on-licensed and 6.4 off-licensed, or together 30.44 licensed premises per 10,000 persons. In 1895 the total number of on-licensed was as high as 103,341; the 1913 figures show a reduction of 1,110 as compared with 1912, this being smaller than the decrease for any year since 1906, and is below the average for the eight years from 1905 to 1912. In the 10 years 1895 to 1904 the average annual decrease was 386. For the eight years 1905 to 1912 the average was 1,342, and for 1913 the decrease will probably prove to have been about 1,043, making an annual average for the nine years since the Act of 1904 came into operation of about 1,309, and leaving a total of about 87,697 on-licensed at the beginning of the year 1914. As regards off-licensed, the number at January 1, 1912, was 23,815, and at January 1, 1913, it was 23,632, a reduction of 183, as compared with a reduction of 300 during 1911. In the year 1913 the decrease will probably have proved to have been about 207. The proportion per 10,000 of population at the beginning of 1913 was 6.40, as compared with 7.47 on January 1, 1905. Since the present system of registration of clubs came into operation the number has risen from approximately 6,371 on January 1, 1904, to 8,457 on January 1, 1913, the proportion per 10,000 of population rising steadily year by year from 1.89 to

2.29. While the steady reduction in the number of licences will be found very acceptable by social reformers, it will be evident that the question of registered clubs calls for the closest possible attention. Herewith we reproduce a diagram showing the proportion to estimated population of licensed premises and clubs in each year from 1905 to 1914:—

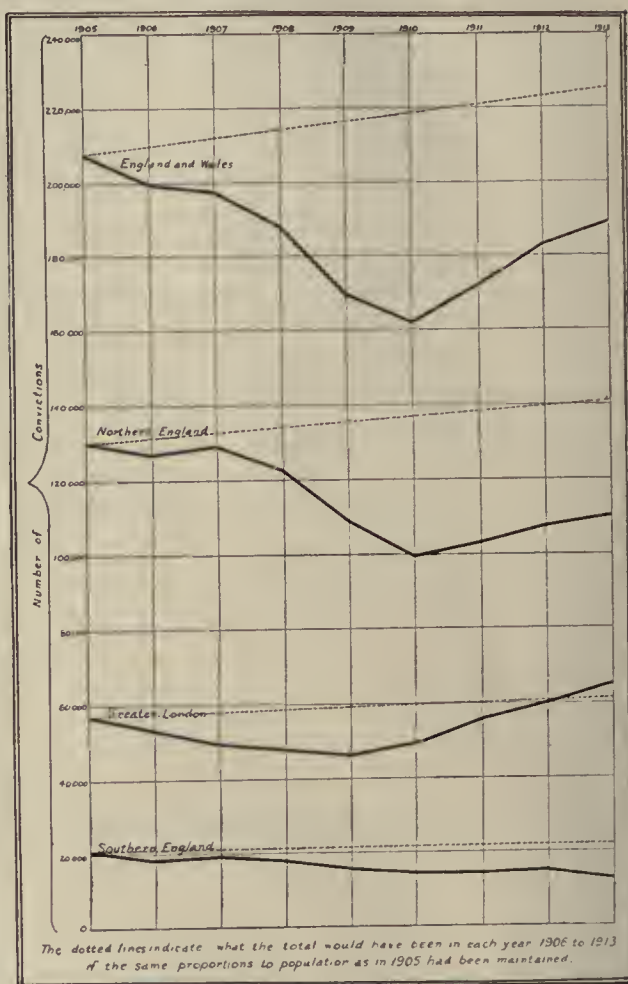


Turning now to another branch of the statistics, which will be found of interest when examined in connection with the figures given above showing the home consumption of beer, it may be pointed out that convictions for drunkenness continue to increase, but the rise in the figures for the year 1913 was slightly less than that for the previous year. There were 188,877 convictions in 1913, being 6,285, or 3.44 per cent., more than those for 1912. This number exceeds the record of any year since 1907. The annual totals for the nine years ending with 1913 are as follows:—

Year	Total No. of Convictions	Year	Total No. of Convictions
1913 ...	188,877	1908 ...	187,803
1912 ...	182,592	1907 ...	197,064
1911 ...	172,130	1906 ...	199,014
1910 ...	161,492	1905 ...	207,171
1909 ...	169,518		

In the year 1910 the general level of convictions for drunkenness was at its lowest in recent times, but with the greater prosperity enjoyed by the country it is perhaps scarcely surprising to find that since 1910 a steady increase in the number of convictions has taken place. In 1911 the proportion of convictions to population was 47.71 for every 10,000 persons; in 1912 the proportion rose to 50.62 convictions, and in 1913 the proportion was 52.32 per 10,000. This is the highest figure since 1908. This point is shown graphically in the accompanying chart, showing the

total number of convictions for drunkenness for each year from 1905 to 1913:—



The dotted lines in the above diagram represent the course which the numbers of convictions would have taken if they had kept pace with the growth of population year by year. The topmost lines show that from 1905 to 1910 the total for the whole of the country fell further and further away from that course, but that in 1911 and 1912 there was a marked tendency to return to it, and that this tendency continued in 1913, though rather less strongly. The lower lines represent the same facts as regards certain geographical divisions.

On the whole, therefore, the figures would appear to support the theory that the general state of prosperity of the country and, consequently, the amount of unemployment materially affect the consumption of alcohol; that is to say, when the country is enjoying a state of prosperity and unemployment is smaller the consumption of alcoholic liquors and the convictions for drunkenness increase, while, on the contrary, when the country is passing through a time of depression, and there is witnessed more unemployment, there is naturally less money available for the purchase of alcoholic liquors and the consumption tends to decrease.

CALICO PRINTERS' ASSOCIATION.

A CONSIDERABLE drop in profits is shown by this Company for the twelve months to June 30 last, the profit falling from £718,851 to £443,786. The result is that it is only possible to pay the Preference dividend by withdrawing £50,000 from the reserve for equalisation of dividends, and £1,346 from the carry-forward, while, of course, the Ordinary shareholders receive no return whatever. The conditions during the year were very unsatisfactory from the point of view of the Association. As the Chairman pointed out, nearly all its business was very seriously affected by various causes, with the result that their exports

were considerably lessened, and throughout the twelve months the Association had to face a declining trade.

To show the manner of the distribution of the profits for the past five years we give the following:—

	1914	1913	1912	1911	1910
	£	£	£	£	£
Gross trading profit to June 30 ...	—	—	—	776,712	759,988
Less head office and other charges	—	—	—	36,082	36,034
	443,788	718,851	548,905†	740,630	723,954
Depreciation, maintenance, &c., written off ...	216,327	216,174	205,020	208,860	201,616
	227,459	502,677	343,885	531,770	522,338
Amount transferred to capital reserve account ...	—	50,000	—	50,000	50,000
	227,459	452,677	343,885	481,770	472,338
Debenture interest ...	128,000	128,000	128,000	128,000	128,000
	99,459	324,677	216,885	353,770	344,338
Preference dividend (5 %) ...	150,805	150,805	150,805	150,805	150,805
	—	173,872	65,080	202,965	193,533
Ordinary dividend ...	—	75,403	75,403; (31 %)	75,403 (31 %)	50,288 (21 %)
	—	—	—	—	—
To revenue reserve accounts ...	—	98,469	—	127,562	143,265
	—	100,000	4,964	135,000	150,000
	—	—	—	—	—
Brought forward ...	8,068	7,599	22,876	30,313	37,048
Carried forward ...	4,722	6,068	7,599	22,875	30,313

* Taken from revenue reserve.

† Includes £36,000 from reserve for depreciation of stocks, and £50,000 from reserve for the equalisation of divs.

As regards the outlook, the Chairman at the meeting, after pointing out that all business came to a standstill when the war broke out, went on to say. "Every effort is being made to secure our fair proportion, and our energies now will be directed to gradually re-establishing our trade with such markets as are available, and to the task of capturing as much as possible of the business which in other circumstances would have gone to Continental countries, in the hope of retaining the bulk of it after the war is over. In addition to the falling off in profits caused by a diminished turnover, the Association has had to meet very heavy increases in manufacturing costs. As compared with four years ago, wages show an increase of about £50,000, and coal an increase of about £72,000. National insurance is also an additional item. Our cotton spinning and manufacturing has been well employed during the year, and the results, in view of the condition of the market, have been on the whole fairly satisfactory. Our French works and mills, which are situated near Rouen, have so far remained intact, although German forces have been threatening the neighbourhood. Work, however, had to be discontinued more than three weeks ago, as the whole male staff was called up." The Chairman pointed out also that the directors are alive to the importance of continuing to find as much employment as possible for the workpeople; firstly, for the purpose of preventing the distress which would otherwise inevitably be caused, and, secondly, to avoid a dispersal of skilled labour which, if once allowed to go, may not return when trade is re-established. They therefore decided to work as far as possible half time as a minimum at all the works and mills, so as to insure their workpeople a certain amount of wages. The following is a synopsis of the general balance sheet at June 30 last:—

Balance Sheet as at June 30, 1914.

LIABILITIES.		£
Capital account—Credit balances ...	...	2,221,033
Net bank loans ...	...	207,662
Sundry creditors, &c. ...	...	432,757
Depreciation and reserve funds ...	...	840,674
Profit and loss ...	...	36,176
		3,738,292
ASSETS.		£
Cash and bills in hand, &c. ...	...	17,426
Stock in trade ...	...	1,757,976
Sundry debtors ...	...	1,100,402
Copper and other rollers ...	...	862,488
		3,738,292

BOLCKOW, VAUGHAN AND COMPANY.

In view of the general decline in prices during the past twelve months, it is not surprising that Bolckow, Vaughan and Company have experienced a much less prosperous year, and that the profits are somewhat less than half the corresponding figure for the twelve months to June 30, 1913. The most prosperous year experienced by the Company was that for the twelve months to June 1907, when the profits exceeded £600,000 and a dividend of 10 per cent. was paid. For the following year the profits fell to a little over half this sum and the dividend to 6 per cent. The 10 per cent. rate was repeated last year, and for the year just ended the rate has again dropped to 6 per cent. Thus 1913 and 1914 have followed fairly closely the results of 1907 and 1908. As regards the dividend on the Ordinary shares an interim payment of 2½ per cent. has been made; but "in view of the grave position of affairs consequent upon the war, the board have decided to recommend that the final dividend, less income-tax, be paid, as regards one half, on October 1 next, and the remaining half at their discretion. The board consider this as a prudent measure of precaution in view of financial possibilities, but hope they may be justified in paying it at, or before, the end of December next." In his speech to the shareholders the Chairman usually quotes the figures of production, and it will be interesting to note what changes have taken place during the past twelve months. We would suggest that the figures relating to production should be given in the directors' report.

To show the manner in which the profits have been divided for the past six years we give the following:—

	£	£	£	£	£	£
Year ended June 30—	1914	1913	1912	1911	1910	1909
Profits, after providing for depreciation...	246,464	525,597	209,893	286,600	286,136	241,676
Debenture interest ...	27,947	30,764	33,514	33,014	32,873	27,707
	218,517	494,833	176,379	253,586	253,263	213,969
Preference dividend (5 %) ...	23,604	23,604	23,604	23,604	23,604	23,604
	194,913	471,229	152,775	229,982	229,659	190,365
Ordinary dividend ...	164,778	274,630	137,315	164,778	164,778	137,315
	(6 %)	(10 %)	(5 %)	(6 %)	(6 %)	(5 %)
	30,135	196,599	15,460	65,204	64,881	53,050
Brought forward ...	137,038	136,651	171,111	162,315	123,402	163,733
	167,173	332,250	186,571	227,519	193,283	221,783
Sundry expenditure on new plant, machinery, &c. ...	21,635	195,212	50,920	56,408	30,968	93,381
Carried forward ...	145,538	137,038	135,651	171,111	162,315	123,402

The total expenditure upon open hearth steel furnaces, blast furnaces, exhaust steam turbines, bye-product coke ovens, benzol plants, electrical installations, &c., during the year was £154,046, of which sum £132,411 has been debited to capital account, and the balance £21,635 was, as shown above, provided from profits. The mere mention of the various purposes for which this special expenditure was incurred last year will give some idea of the fact that the Company is spending very freely for the purpose

THE BALDWIN LOCOMOTIVE WORKS

PHILADELPHIA, PA., U.S.A.

ALBA B. JOHNSON, JR., GEN. AGT.

34 VICTORIA STREET
LONDON, S.W., ENGLAND

of keeping modern its plant, and the total expenditure for this purpose, together with the amounts written off for depreciation for each of the past six years, may be seen from the following statement:—

Expenditure on Plant, &c., Year to June 30.

	Out of Capital £	Taken from Profit £	Total £	Writings Off for Depreciation £
1909	204,769	93,380	298,149	82,784
1910	142,635	30,968	173,603	111,978
1911	127,869	56,408	184,277	123,041
1912	144,776	50,920	195,696	141,154
1913	175,037	35,212	210,249	149,051
1914	132,411	21,635	154,046	133,485

In 1911 the Chairman indicated a further expenditure of not less than £250,000 on alterations in connection with the manufacture of steel. Hitherto the Company has manufactured its steel almost entirely by the basic Bessemer process, but in view of the fact that Bessemer steel is not in favour with railway engineers, it has become necessary to produce steel by the open-hearth process. Consequently the Company is giving up altogether the manufacture of steel from Cleveland iron by the Bessemer process, and in place of it is extending its open-hearth plant. Here-with we set out a statement of the liabilities and assets as at June 30 last:—

Balance Sheet as at June 30, 1914.

LIABILITIES.		£
Subscribed Capital—		
Ordinary shares		746,300
Preference shares		472,080
Debentures		662,600
Interest, loans, &c.		210,087
Sundry creditors		312,243
Accident and fire insurance reserves		30,889
Repairs and renewal reserves, &c.		102,847
General reserve		150,000
Profit and loss		263,294
		£4,950,340
ASSETS.		£
Land, buildings, coal and ironstone mines, &c.		3,852,601
Investments		45,475
Stock on hand		748,803
Royalties		8,238
Sundry debtors		224,515
Loan on mortgage		9,900
Cash and bills on hand		39,173
Special items of expenditure		21,635
		£4,950,340

The Chairman's speech on Wednesday next will be awaited with considerable interest by the shareholders for his views as to the general outlook of the Company. Assuming that contracts have not been placed to any extent at the lower prices prevailing immediately before the declaration of war, the Company should do well with prices now on an ascending scale; and, looking further ahead, there is little doubt considerable benefit will be secured.

We recapitulate the present capital arrangements as follows:—

Amount £	Description	Par £	Price £	Dividend %	Yield £ s. d.
472,080	5 % Preference shares	20	20½	5	5 0 0
1,629,760	Ordinary shares, fully paid	1	1½	6	6 0 0
1,116,540	Do. 12s. paid	12 0	1½	6	6 5 6

EVANS (D. H.) AND COMPANY.—Interim dividend at rate of 7 per cent. per annum on Ordinary.

HOLDRON, H.—Interim dividend at rate of 6 per cent. per annum.

MANDLERBERG (J.) AND COMPANY.—Interim dividend on Ordinary shares at rate of 10 per cent. per annum.

THE ALLIANCE TRUST COMPANY.—Interim dividend at the rate of 19 per cent. per annum on Ordinary stock subject to tax.

UNITED STATES AND SOUTH AMERICAN INVESTMENT TRUST COMPANY.—Interim dividend at rate of 6 per cent. per annum on Ordinary stock.

SELANGOR RUBBER COMPANY.—Second interim dividend of 4d. per share less tax.

UNITED INDIGO AND CHEMICAL COMPANY.—Dividend of 5 per cent. per annum on Ordinary, subject to tax for half-year.

WORKINGTON IRON AND STEEL COMPANY.—Warrants for recently declared dividends on both Preference and Ordinary shares will be posted on usual date, September 30.

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LOW PREMIUMS. LOW EXPENSES.
LARGE ULTIMATE BONUSES.

FUNDS EXCEED £15,000,000.

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M. GREGORY, General Manager.

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Actuary and Secretary:

CHAS. WINDETT.

Commercial.

TIN.

WHILE tin in the United States has touched absolutely record figures since the war broke out, even if the reported payment of a price equivalent to £400 a ton was not confirmed, the market in London has been calm on a rather higher plane than that ruling before the closing of the Metal Exchange. The position of consumption is not brilliant, the Welsh tinsplate makers being in anything but a pleasant position with only half of the capacity at work, the war and difficult finance operating prejudicially upon industrial activity there. The panic prices in America were the direct result of the comparatively small stocks available across the Atlantic, the fear that it might not be possible to supplement them from London, and apprehension lest the despatch of metal from the East direct might be prevented by the impossibility of effecting insurances. These fears having proved to be

groundless, the rise in New York was succeeded by a fall well-nigh as dramatic as was the advance.

The financial stiffness all over the world has hit mining properties in the East pretty hard, and some of them have been closed down. Sooner or later the reduction in ore winning must make itself felt at the smelters, but there are no present means of telling exactly to what extent output has been interfered with. There is no news as to the progress of affairs in Bolivia, but the war has knocked the German tin-smelting industry on the head, and the ores which were formerly bought by German smelters are now coming to Liverpool for treatment. It is only to be assumed that on the termination of hostilities efforts will be made to retain for this country the lion's share of the business. Our own people are quite alive to the position, and may be trusted in the fulness of time to take whatever steps are possible to ensure an enlargement of their trade. As the result of the increased quantities of Bolivian ore already rendered available from the diversion of consignments, the supplies of tin made in English works promise to be more ample yet. Nigerian ores come to hand freely, and there are no indications as yet of any fundamental alteration in the conditions prevailing.

The output of tin has hitherto proved less elastic than that of many metals, hence any shrinkage of consumption, unless accompanied by a material falling off in supplies, would for certain be felt sharply. For some time output and consumption have been pretty well balanced, though the drift of events this year until the war was towards an increase in the visible supply. Consumption in Europe must have been pretty severely reduced, indeed the latest statistics reflect a serious falling off, while it is exceedingly probable that good stocks of the metal are held in the Straits Settlements and in China. A large quantity of tin is known to have been nursed in China for months past, and it can hardly get smaller under conditions of world-wide war. If, as is probable, a trade boom follows the termination of the war, tin should benefit correspondingly with other metals, if only because of the inelastic conditions affecting production. In a general way, when mining properties are abandoned owing to bad times, it takes a long period for them to be set going again when things improve; and this is especially so when, as in the case with tin mines, they are in many cases relatively small concerns, situated in scattered and isolated districts and worked more or less haphazard and on limited capital. Hence, while the process of curtailment of output at mines has been rather rapid, that of enlargement is bound to be a much slower affair, and immediate prospects point to a decrease in the supplies available.

AMERICAN COTTON.

Liverpool: Thursday.

STEADY progress continues to be made in the liquidation of old accounts, and day by day we are coming nearer to the time when our market may with safety be reopened for free trading. To-day the price for January/February delivery has been reduced to 5.25d., nearly 1d. per pound below the price current at the end of July, when the market was closed. To-day's price is in very close approximation to the parity at which cotton is being offered in the South. We understand that for the immediate future there is no intention to make any further reduction, unless some change in the general situation should warrant it, and we expect that now prices have been worked down to the level of 5.25d. spinners will enter into the market and purchase more freely. For some time it has been an open secret that January/February delivery would be reduced to 5.25d., and this knowledge has naturally tended to prevent the trade buying anything more than would satisfy their immediate requirements. How long present prices can be maintained depends on the

attitude of spot holders in the South, but at present there is no pressure to sell from that quarter, and the price importers have to pay for prompt shipments, which will not arrive in Liverpool till the end of October or beginning of November, quite justifies a spot quotation in Liverpool based on futures at 5.25d. We are informed that while few new orders are being booked in Manchester, spinners have been able to make considerable deliveries against old contracts for yarn, and that at the reduced price of to-day a good deal of new business will become practicable.

The future course of prices may be determined in a great measure by Government action. For Egyptian cotton a scheme has been adumbrated under which it is suggested the Egyptian Government shall take charge of the estimated surplus in the coming Egyptian crop, and next season arrange for a considerable reduction in the acreage planted. If a scheme of this sort be carried out, the price of Egyptian will at once steady, and the cultivators in Egypt will be saved from a very serious loss. Whether such arrangements are possible with regard to American cotton we cannot say, but we believe the question is receiving the careful attention of both the United States and our own Government. It is evident that it can be to no one's advantage that values should fall far below the cost of production, to the discouragement of planters, only to be followed later on by violent reaction due to reduced acreage. Under the present dislocation of trade prices are bound to be low, but everyone concerned would benefit if some element of stability can be imparted to cotton values.

Business in new crops is gradually increasing, and some spinners have made purchases of fair lines to arrive. Shipments to this country are yet very small, the afloat and on shipboard to Liverpool at the end of last week being only 11,000 bales, against 190,000 bales last season. It would not appear that there will be any weight of new cotton thrown on our market for some little time, and as mills are very bare of supplies we do not think in the near future any serious break in spot prices is likely to occur.

ARGENTINE RAILWAY TRAFFICS.

A WELCOME relief to the long series of declining railway traffics from Argentine is afforded by the Buenos Ayres Western Railway Company, whose earnings for the week ended September 20 show an improvement of £15,000. All along this Company has done less badly than its neighbours, and although one swallow does not make a summer, this notable increase probably indicates the direction of the wind, and may be the precursor of better times all round. The other companies, however, continue to record large decreases in their weekly takings, and the aggregate declines to date now reach considerable totals. The Central Argentine has a falling-off of no less than £410,000 to date; the Buenos Ayres and Pacific a decline of £275,000, closely followed by the Buenos Ayres Great Southern, with a decrease of £259,000. The Córdoba Central, which until practically the close of the last financial year was doing so remarkably well, is now exhibiting a relatively heavy diminution in earnings, the decrease of £117,775 to date being equal to a drop of over 20 per cent. compared with a year ago. The Entre Rios and the Argentine North Eastern, too, have shared the fate of their neighbours, and now show considerable decreases in their traffic receipts. We are confident, however, that ere long a very different showing will be made, and that the present decreases will be followed by substantial increases. A large tonnage of maize still awaits transportation, and as this will be followed later on by heavy traffic in wheat, oats, and linseed, the outlook for which is excellent, prospects of better things are certainly more hopeful than they have been for a long while past.

NORFOLK & WESTERN RAILWAY CO.

EIGHTEENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30, 1914.

Roanoke, Va., September 3, 1914.

To the Stockholders of the Norfolk & Western Railway Company:

Your Board of Directors submits the following report for the year ending June 30, 1914:—

MILES OF ROAD AND TRACK IN OPERATION.

	June 30, 1914.	June 30, 1913.	Inc.
	Miles.	Miles.	Miles.
Main line	1,542.98	1,542.98	
Branches—			
Operated as second track	90.36	90.36	
Other branches	389.53	387.46	
	479.89	477.82	2.07
Total miles	2,022.87	2,020.80	2.07
Operated under trackage rights	13.98	13.98	
Total miles of road in operation	2,036.85	2,034.78	2.07
Second track	490.74	444.90	45.84
Third track	3.20	3.20	
Sidings and yard tracks	1,229.88	1,150.88	79.00
Total miles of all tracks in operation	3,760.67	3,633.76	126.91
Average miles of road operated	2,035.91	2,022.85	13.06
Average miles of track operated	3,645.33	3,550.02	95.31

The increase in miles of road in operation is as follows:—

	Miles
Branches—	
Norfolk, Va., terminal passenger station connection ... ..	.20
Southern Railway connection, Riverton, Va. ... ..	.05
King branch	1.37
Briar Mountain branch ... ..	.11
	2.09
Less branches removed—	
Lynchburg Low-Grade Line connection Y, at Kinney, Va. ... ..	.02
Net increase	2.07

INCOME STATEMENT

For the Year ending June 30, 1914, and Comparison with Preceding Year.

	1913-14.	1912-13.	Inc. or Dec.	%
Railway Operating Income—	\$	\$	\$	%
Rail Operations—Revs.:				
Freight	38,038,621 63	37,598,023 87	+ 450,597 76	1.20
Passenger	4,908,479 22	4,715,293 85	+ 193,385 37	4.10
Mail	389,245 42	352,722 20	+ 36,523 22	10.35
Express	571,078 57	552,903 88	+ 18,174 69	3.29
Other transportation	295,749 09	288,464 56	+ 7,284 53	3.24
Total Transportation rev.	44,203,373 93	43,495,411 36	+ 707,962 57	1.63
Rev. from operations other than transportation	267,244 86	244,509 16	+ 22,735 70	9.30
Total operating revenues	44,470,618 79	43,739,920 52	+ 730,698 27	1.67
Rail Oper.—Expenses—				
Maint. of Way & Structures	4,998,512 25	5,542,930 04	— 544,347 79	9.82
Maint. of Equipment	9,214,007 34	8,336,631 12	+ 877,376 22	10.52
Traffic	737,690 26	691,557 95	+ 46,132 31	6.67
Transportation	14,663,577 31	13,192,921 89	+ 1,470,655 42	6.64
General	916,954 43	801,741 96	+ 115,212 47	14.37
Total oper. expenses	29,935,841 59	28,565,812 96	+ 1,370,028 63	4.80
Ratio of Exp. to Total Oper.				
Revenues	67.32 %	65.31 %		
Net Revenue—Rail Oper.	14,534,777 20	15,174,107 56	— 639,330 36	4.21
Auxiliary Operations—				
Balance, Deficit	19,874 34	7,608 09	+ 12,266 25	161.23
Net Railway Operating Rev.	14,514,902 86	15,166,499 47	— 651,596 61	4.30
Railway Tax Accruals	1,620,000 00	1,452,000 00	+ 168,000 00	11.57
Railway Operating Income	12,894,902 86	13,714,499 47	— 819,596 61	5.93
Other Income:—				
Hire of Equip. (credit bal.)	1,168,810 15	1,174,005 71	— 5,195 56	.44
Div. and int. income	775,548 81	544,794 97	+ 230,753 84	42.36
Miscellaneous income	53,031 59	45,680 91	+ 7,350 68	18.09
Total other income	1,997,390 55	1,764,481 59	+ 232,908 96	13.20
Gross Income	14,892,293 41	15,478,981 06	— 586,687 65	3.79
Deductions from Gross Income:—				
Mis. rent deductions (debit balance)	43,024 85	32,598 45	+ 10,426 40	31.98
Separately oper. properties	700 85	94,173 54	— 93,472 69	99.26
Interest deductions for				
Funded Debt:				
Mortgage bonds	3,622,381 00	3,622,380 00	—	
Convertible bonds	693,382 49	477,157 33	+ 216,225 16	66.22
Equipment obligations	248,372 31	206,030 33	+ 42,341 98	20.55
Miscellaneous deductions	16,293 22	—	+ 16,293 22	
Total deductions	4,624,153 72	4,372,339 65	+ 251,814 07	5.76
Net Income	10,268,139 69	11,106,641 41	— 838,501 72	7.55
Divs. on Adjust. Pref. Stock	919,668 00	919,668 00	—	
Inc. Balance transferred to				
Profit and Loss	9,348,471 69	10,183,973 41	— 835,501 72	8.23

PROFIT AND LOSS STATEMENT.

	1913-14.	1912-13.	Inc. or Dec.	%
Credits—				
Balance July 1	11,423,106 35	8,580,831 99	+ 2,842,274 36	33.12
Credit balance from Income Account for the year	9,348,471 69	10,186,973 41	— 838,501 72	8.23
Miscellaneous credits—				
Proportionate part of Premium on Convertible Bonds	182,872 50	—	+ 182,872 50	—
Other	45,875 69	11,707 64	+ 34,168 05	291.84
Total credits	21,000,328 23	18,779,513 04	+ 2,220,815 19	11.83
Charges—				
Divs. on Common stock	6,240,150 00	5,759,521 50	+ 480,628 50	8.34
Dividend adjustment on Common stock issued in exchange for Convertible bonds	20,773 50	27,274 60	— 6,501 00	23.84
Appropriations of surplus for additions and betterments	2,093,918 00	1,553,088 00	+ 540,830 00	34.82
Miscellaneous debits	15,863 82	16,522 69	— 658 87	3.99
Debt Discount extinguished through Surplus	64,530 00	—	+ 64,530 00	—
Total charges	8,435,235 32	7,356,406 69	+ 1,078,828 63	18.47
Credit balance June 30	12,565,090 91	11,423,106 35	+ 1,141,984 56	10.00

The dividends were as follows:—

No.	Payable	Stock of Record	Per Cent.	Outstanding Stock.	Amount of Dividend.
41	Nov. 19, 1913	Oct. 31, 1913. ...	1	22,991,700	229,917 00
42	Feb. 19, 1914	Jan. 31, 1914 ...	1	22,991,700	229,917 00
43	May 19, 1914	Apr. 30, 1914 ...	1	22,991,700	229,917 00
44	Aug. 19, 1914	July 31, 1914 ...	1	22,991,700	229,917 00
			4		919,668 00
Common Stock—					
33	Sept. 19, 1913	Aug. 30, 1913 ...	1½	100,257,400	1,503,861 00
34	Dec. 19, 1913	Nov. 29, 1913 ...	1½	103,557,200	1,553,358 00
35	Mar. 19, 1914	Feb. 28, 1914 ...	1½	104,636,500	1,569,547 50
36	June 19, 1914	May 29, 1914 ...	1½	107,558,900	1,613,383 50
			6		6,240,150 00
Dividend adjustment on Common stock issued in exchange for Convertible bonds					
					20,773 50
					6,260,923 50

The increase in the amount of dividends on Common Stock is due to the issue of additional shares in exchange for Convertible Bonds surrendered.

CAPITAL STOCK.

The amounts of Adjustment Preferred and Common capital stock authorised and issued are now as follows:—

	Authorised.	Issued.
Adjustment Preferred stock	\$23,000,000	\$23,000,000
Common stock	150,000,000	107,760,500
Total June 30, 1914	\$173,000,000	\$130,760,500
Total June 30, 1913	173,000,000	123,133,300
Increase (all Common Stock)	—	\$7,627,200

The additional 76,272 shares of Common Stock outstanding were issued in exchange for \$190,000 Convertible 10-25-year 4 per cent. Gold Bonds of 1907, \$122,400 Convertible 10-20-year 4 per cent. Gold Bonds of 1912, and \$7,314,800 Convertible 10-25-year 4½ per cent. Gold Bonds of 1913, surrendered for conversion.

There are in the Treasury 83 shares (\$8,300) of Adjustment Preferred Stock and 16 shares (\$1,600) of Common Stock.

Of the \$42,239,500 authorised but unissued Common Stock, \$15,461,500 is reserved for the conversion at par of the outstanding Convertible Bonds.

FUNDED DEBT.

The aggregate funded debt outstanding is as follows:—

	June 30, 1914.	June 30, 1913.	Inc.
Mortgage bonds	\$83,283,500	\$83,283,500	—
Convertible bonds	15,411,500	4,735 700	\$10,725,800
Equipment trust obligations	12,900,000	4,200,000	8,700,000
	\$111,645,000	\$82,219,200	\$19,425,800

The net increase of \$10,725,800 in the amount of Convertible Bonds outstanding is the result of the issue of \$13,353,000 of Convertible 10-25-year 4½ per cent. Gold Bonds of 1913, described in the preceding annual report, and the conversion into Common Stock of \$7,627,200 of Convertible Bonds as described above under the head of "Capital Stock." The increase in the amount of Equipment Trust Obligations is the result of the issue of \$10,000,000 Equipment Trust Certificates, Series of 1914, and the payment of \$1,300,000 of matured certificates of earlier series hereinafter described.

There are in the Treasury \$13,000 First Consolidated Mortgage 4 per cent. Bonds, \$269,000 Convertible 10-20-year 4 per cent. Gold Bonds of 1912, and \$1,213,000 Convertible 10-25-year 4½ per cent. Gold Bonds of 1913.

There is still an unissued remainder of \$8,431,000 of the Convertible Bonds authorized by the stockholders October 11, 1906.

Reference was made in the preceding annual report to the lease from the Virginia Company of equipment to the approximate value of \$11,000,000, and of the execution of a temporary agreement of lease therefor. Under date of February 2, 1914, this temporary agreement was replaced by an Equipment Trust Agreement—Series of 1914—with the Commercial Trust Company of Philadelphia as Trustee, under which certificates to the amount of \$10,000,000 were issued and sold. These certificates are payable in twenty semi-annual instalments of \$500,000 each, from February 1, 1915, to August 1, 1924, inclusive. The equipment securing this issue is described on page 30 of Pamphlet Report.

ROAD AND EQUIPMENT.

The total additions to cost of road and equipment shown in detail on page 22 of Pamphlet Report were \$15,333,648.02. Of this sum \$8,069,179.99 was for trust equipment received from the Virginia Company. The remainder, \$7,264,468.03, includes additions and betterments aggregating \$2,093,918, which were necessary to maintain the earning capacity and preserve the value of the Company's property, and which have, therefore, been covered by an appropriation of surplus.

From the commencement of operations, October 1, 1896, to June 30, 1914, your Company's Property Investment in road and equipment increased	\$116,779,354 56
There were also direct charges to income for additions and betterments, aggregating	15,473,621 16
Total road and equipment expenditures	\$132,252,975 72

Of the total road and equipment expenditures, your Company's revenues provided the following amounts:—

Direct charges to income as above	\$15,473,621 16
Charges to operating expenses for an equipment depreciation reserve	9,144,770 51
Appropriations from Surplus Income for additions and betterments	15,485,006 98
Total	\$40,103,398 65

By means of these expenditures your Company has added to its road 452.53 miles of main line and branches, 436.72 miles of second track, and 3.20 miles of third track, and 791.49 miles of sidings, and to its equipment 651 locomotives, 210 passenger train cars, 31,756 freight train cars, and 910 work-train cars.

The increases in tractive power and capacity are very much greater than in the number of locomotives and cars, as is shown in the following table, comparing the equipment of October 1, 1896, with that of June 30, 1914:—

Locomotives—Increase in number, 160 %; in tractive power, 449 %.
Freight cars—Increase in number, 199 %; in ton capacity, 436 %.

The double track reported as in progress in the preceding annual report has been completed.

Double track work is in progress as follows:—West of Suffolk, Va., 1.60 miles, and between Zuni and Disputanta, Va., 26.60 miles. This will be completed by January 1915. Your Company will then have in operation between Lamberts Point and Columbus 636.98 miles of double track main line (including as second track the low-grade lines around Petersburg, Va., and Lynchburg, Va., and the Big Sandy Line), and 67.13 miles of single track. The single track is between Jack, Va., and Wilson, Va., 17.08 miles; between Burkeville, Va., and Elam, Va., 31.37 miles; between Radford, Va., and Coaldale, W. Va., in sections, 16.46 miles, and East of Wharnccliffe, W. Va., 2.22 miles.

The new equipment received during the year was as follows:—

10 passenger locomotives.
16 freight locomotives.
35 all-steel passenger cars.
5 all-steel passenger and baggage cars.
1 all-steel officers' car.
250 steel underframe flat cars, 100,000 pounds capacity.
4,327 all-steel hopper coal cars, 115,000 pounds capacity.
1 all-steel drop-bottom gondola car, 180,000 pounds capacity.
749 all-steel flat bottom gondola cars, 150,000 pounds capacity.
500 steel underframe box cars, 80,000 pounds capacity.
500 steel underframe stock cars, 80,000 pounds capacity.
4 locomotive cranes.

Of the new equipment, 10 passenger locomotives, 2,463 all-steel hopper coal cars, 748 all-steel flat-bottom gondola cars, and one all-steel drop bottom gondola car, were built at your Roanoke Shops.

ADDITIONS AND BETTERMENTS TO WAY AND STRUCTURES.

73.35 miles of main track were laid with 100-pound rails. 10.94 miles of re-sawed 85-pound rails were laid: 7.52 miles on Widemouth Branch, 1.42 miles on Kenova District, and 2 miles on Cincinnati District. 301,075 cubic yards of stone and 57,830 cubic yards of gravel were used in standard ballasting on main line. Passenger stations and

freight depots were built or enlarged at Boyce, Galax, Wilson, and Evergreen, Va., Willardsville, N. C., Roderfield, W. Va., and Waverly, Ohio. Shelter sheds were erected at Addison, Poolo, Dooms, and Yancey, Va., Kenova, W. Va., Evanston and Youngs, O. Block offices were erected at Kilby, Kidds, and Hebron, Va., and Webb, W. Va. Nine section houses were erected. Tool houses were erected at Crewe, Lynchburg, and Shenandoah, Va. Two storage houses were erected at Roanoke, Va., and two at Bluefield, W. Va. Stock pens were erected at Norfolk and Appomattox, Va., and Waverly, O.

Chutes were erected at Rileyville, Va., and Stoneville and Walkertown, N. C.

85-foot turntables were installed at Shenandoah and Bristol, Va., and a 75-foot turntable at Pulaski, Va.

150-ton scales were installed at Lamberts Point, Petersburg, Crewe, and East Roanoke, Va.

200-ton automatic scales were installed: two at Lamberts Point Pier No. 4; two at East Bluefield Yard, and one at West Bluefield Yard, W. Va.

Crossing gates were erected at Norfolk and Dublin, Va., and crossing bells were installed at Blackstone, Roanoke, Graham, and Tazewell, Va., and Bramwell, W. Va.

A scale storehouse 40 by 52 feet was erected at Roanoke Shop Yard and master scales were installed.

Automatic signals were installed between West of Suffolk, Va., and Dwight, Va.; between Disputanta, Va., and Poe, Va.; between Hebron, Va., and Nottoway, Va.; and between Elam, Va., and Evergreen, Va. Your Company now has 101 miles of single track and 484.9 miles of double track protected with automatic signals.

Interlocking and signal apparatus was installed at Phoebe, Dry Branch, Eggleston and Pembroke, Va., and interlocking tower and apparatus at Columbus, O.

High steel tanks, 200,000 gallons capacity, were erected at Glade Spring, Va., and at Crum, Glenhayes, and Prichard, W. Va.

Standard 50,000-gallon water tanks were erected at Norfolk, Portlock, Zuni, Disputanta, Crewe, St. James, MP 47, and Goode, Va., Farm, Mohawk, Wilsendale, Watts and Wayne, W. Va., and Portsmouth, Columbus, and Sardinia, O.

Water-softening plants were installed at Lamberts Point, Portlock, and Glade Spring, Va., Crum, Glenhayes, and Prichard, W. Va., and the plant at Columbus, O., was enlarged.

Filter plants were installed at Fort Gay, W. Va., and at East Portsmouth, O., the latter for drinking water.

A coaling station, 750-tons capacity, was erected at Farm, W. Va. Electric drive ash hoists were installed at Williamson, W. Va., and East Radford, Va. A car shed and paint shop were erected at Lamberts Point.

A new steel coal pier on concrete foundations has been completed and placed in operation at Lamberts Point. This pier is 1,200 feet long, 71 feet wide, and 90 feet high above water, is equipped with all electrically operated machinery in duplicate, consisting of double car dumpers and elevators for hoisting cars to top of pier, and will handle 600 cars per day of 10 hours. A brick sub-station has been constructed, 48 by 57 feet, for converting and controlling the electric power. A hump yard, with 12 gravity tracks, 30 cars each, has been provided to supply this pier, arranged so that all cars pass over duplicate 200-ton automatic scales to secure weights before dumping.

The roundhouse at Crewe, Va., was enlarged and its capacity increased to 25 stalls.

An extension was made to boiler house at Roanoke Shops, 70 by 108 feet, with lean-to 18 by 108 feet, steel frame, brick walls and steel trusses, together with coal-handling plant in connection with feeding automatic stokers.

An extension was built to engine-erecting shop at Roanoke Shops, 85 by 110 feet, steel frame and trusses, brick walls and slate roof.

In connection with the manufacture of freight cars at Roanoke, Va., there have been built a car-erecting shop and paint shed 60 by 900 feet, a wheel and axle shop 101 by 150 feet, and a truck shop 82 by 151 feet, all with steel frame and trusses, galvanised iron roof and sides; also lavatory 14 by 36 feet; a lacquering shop 42 by 46 feet with steel trusses, brick walls, galvanised iron roof, and a dry lumber storage building, 51 by 60 feet, steel frame and trusses, iron roof and sides.

A shed extension 20 by 501 feet of brick was added to the smith shop at Roanoke, Va.

A ventilating plant has been installed at Pepper Tunnel on Radford Division.

The Farmville High Bridge, which consisted of 21 spans, 112 feet long, resting on brick piers, built in 1853, has been rebuilt as a double track steel viaduct, alongside, and 20 feet north of the original structure.

127 feet of iron bridges were replaced by masonry culverts and fills.

9,413 feet of iron bridges were replaced by new standard steel structures, and 3,227 lineal feet of iron bridges were replaced by fit iron bridges doubled.

Two bridges, 580 lineal feet, were completed in connection with double track at Hatfield tunnel; 1,750 lineal feet

of bridges were built to increase waterway in West Virginia and Ohio.

14 grade crossings were eliminated; three by undergrade crossings of steel, six by undergrade crossings of masonry, four by overhead bridges of steel, and one by overhead bridge of timber.

A double-track tunnel 1,257 feet in length was built at Glen Alum, W. Va.

A twin tunnel, 1,000 feet in length, for second track, was completed at Hatfield, W. Va.

623 lineal feet of Dingess Tunnel were lined with brick.

235,242 lineal feet (44.55m.) of standard fencing were erected.

A retaining wall of stone, 1,654 feet long and 16 feet high, was completed at North Fork, W. Va., along Elkhorn Creek.

Between Kenova and Columbus there were used on slopes in flood protection 189,549 cubic yards stone and slag and 72,290 square feet of concrete slab.

MAINTENANCE EXPENDITURES.

The expenses for Maintenance of Way and Structures and comparison with the preceding year are as follows:—

	1913-14.	1912-13.	Dec.	%
Total expenses ...	\$4,938,612 25	\$5,542,960 04	—\$644,347 79	9.82
Av. per mile of road oper.	2,465 22	2,740 17	— 284 95	10.40
Av. per mile of track oper.	1,371 23	1,561 39	— 190 16	12.18

The expenses of Maintenance of Equipment and comparison with the preceding year are as follows:—

	1913-14.	1912-13.	Inc. or Dec.	%
Total maintenance of equipment expenses ...	\$3,214,007 34	\$3,336,631 12	+ \$877,376 22	10.53
In which are included:				
Locomotives: Repairs, renewals and depreciation	3,298,700 94	3,005,099 68	+ 293,601 26	9.77
Aver. per locomotive...	3,119 84	2,933 95	+ 185 89	6.34
Aver. per 100 miles run	12 40	11 36	+ 1 04	9.15
Pass. Train Cars: Repairs, renewals & depreciation	384,576 43	398,337 29	— 13,760 86	13.25
Aver. per pass. car ...	870 42	993 56	— 123 14	12.39
Aver. per 100 miles run	1 55	1 63	— 08	4.91
Fr't. Train Cars: Repairs, renewals & depreciation	4,998,963 33	4,413,952 90	+ 585,010 43	13.25
Aver. per freight car	107 76	102 69	+ 5 07	4.93
Aver. per 100 miles run	1 01	92 +	09	9.78
Work Equipment Cars: Repairs, renewals and depreciation ...	80,357 31	85,286 48	— 4,929 17	5.78

There were in the shops undergoing and awaiting repairs at the close of the year 216 locomotives, or 20.4 per cent. (83 needing only light repairs), 27 passenger cars, or 6.0 per cent., and 2,814 freight and work equipment cars, or 5.7 per cent.

Additions to and replacement of shop machinery have been made at a cost approximately as follows:—

Rosnoke shops ...	\$77,757
Portsmouth shops...	31,276
Bluefield shops ...	14,285
Williamson shops...	1,959
Outlying shops ...	20,428
Total ...	145,705

TRAFFIC AND REVENUE COMPARISONS.

Comparison of traffic and revenue figures with those of the previous year shows the following interesting changes:—

Number of passengers ...	Increased	278,393	%
Average haul of passengers...	decreased	0.07 miles	0.19
Revenue from passenger fares ...	Increased	\$193,385.37	4.10
Average rate per passenger per mile	decreased	0.007 cent	0.33
Revenue freight carried ...	increased	1,298,829 tons	3.97
Average haul of freight ...	decreased	1.53 miles	0.56
Revenue from freight transportation	increased	\$450,597.76	1.20
Average rate per ton per mile	decreased	0.009 cent	2.12
Average tons of rev. fr't. per train mile	increased	38.22 tons	5.00
Shipments of coal ...	Increased	2,060,133 tons	9.73
Shipments of lumber ...	decreased	222,528 tons	10.98
Shipments of coke ...	decreased	230,705 tons	14.43
Shipments of ore ...	decreased	146,453 tons	15.69
Shipments of pig and iron bloom	decreased	210,045 tons	25.25

COLUMBUS CONNECTING AND TERMINAL RAILROAD.

The stockholders at their annual meeting held October 10, 1912, authorised the acquisition of the railroad, property, and franchises of The Columbus Connecting & Terminal Railroad Company, which was organised in 1892 for the purpose of acquiring freight terminal facilities for your system in the city of Columbus, Ohio. This has been accomplished, and by deed dated December 16, 1913, The Columbus Connecting & Terminal Railroad Company conveyed its railroad, property, and franchises to the Norfolk & Western Railway Company.

DRY FORK BRANCH AND CONNECTIONS.

The connection between the main line at Iaeger, W. Va., and the Clinch Valley District at Cedar Bluff, Va., via Dry

Fork, Beech Creek, and Indian Creek branches, reported in operation as of April 13, 1913, has now been fully completed, including the concrete and brick arching of Summit Tunnel, at a cost to June 30, 1914, of \$2,773,828.10.

KING BRANCH.

King Branch was completed to the operations of the King Coal & Coke Company and the Middle States Coal & Coke Company, a distance of 1.73 miles.

POCAHONTAS COAL AND COKE COMPANY.

The sinking fund provided for in the Pocahontas Coal & Coke Company's Purchase Money First Mortgage, dated December 2, 1901, amounted for the calendar year 1913 to \$273,156.10. Through this and other sums received by the Trustee, under the terms of the mortgage bonds aggregating \$302,000 were purchased and cancelled. From the beginning of its operation in 1906 to date the sinking fund has received from royalties on coal mined the sum of \$1,698,954.81, and from sales of lands the sum of \$125,305.02, a total of \$1,824,259.83, by means of which there have been purchased and retired bonds to the aggregate amount of \$2,018,000, reducing the outstanding bonds to \$17,982,000, and leaving a cash balance of \$877.62 in the Sinking Fund.

The work of unifying the Company's properties, completing its titles, and surveying, monumenting, and mapping its lands has made further substantial progress. Your Company has advanced to the Pocahontas Coal & Coke Company for these purposes the further sum of \$99,000, making a total to date of \$1,391,000 charged in your Company's accounts as advances to that Company for property expenditures.

TUG RIVER AND KENTUCKY RAILROAD COMPANY.

The Tug River & Kentucky Railroad Company was organised January 23, 1914, under the laws of the State of Kentucky, to construct a railroad about 17 miles in length in Pike County, Ky., and Mingo County, West Virginia, to reach important coal deposits. The road had been located from a point in Pike County, Kentucky, at or near the mouth of Poplar Creek, extending up the valley of Poplar Creek, the valley of Peters Creek and the valley of Blackberry Creek, and down the valley of Tug River. The estimated cost is \$900,000. One and one-half miles of this railroad, including a bridge over Tug River, is under construction, and should be ready for traffic by June 30, 1915, the estimated cost being \$200,000.

The capital stock of the Company is \$50,000, of which all but 50 shares owned by the Directors is owned by your Company.

VIRGINIA-CAROLINA RAILWAY.

Work on the North Carolina Division has progressed satisfactorily, though impeded by the rigorous weather of last winter, which caused heavy slides in the new cuts. On June 30, 1914, grading was completed on 21 miles and was approaching completion on 28 miles; bridge work was well advanced; 8.8 miles of track were laid and surfaced, and a number of station buildings and other structures were erected.

The cost of the North Carolina Division to that date was \$766,235.66. It is expected that the work will be completed early in the year 1915 at a total cost of about \$1,250,000.

NEW RIVER HOLSTON AND WESTERN RAILROAD.

The extension from Rocky Gap to Suiter's, in Bland County, Virginia, about 14 miles, has made satisfactory progress, notwithstanding unfavourable weather conditions. On June 30, 1914, the grading was practically finished and 8.1 miles of track were laid.

The cost of the extension to that date was \$209,002.11. It is expected that the work will be completed in September 1914, and that the total cost will approximate \$250,000.

FLOOD DAMAGE IN MARCH 1913.

Reference was made in the preceding annual report to the serious damage to your road in Ohio from the extraordinary floods of March 1913. The restoration of the line has been completed, and the sum of \$671,190.80 on account thereof has been charged to Operating Expenses to June 30, 1914. Additional expenditures were required to guard against similar damage in the future, the estimated amount being \$748,500, of which \$487,378.27 had been charged to Property Investment (Road) to June 30, 1914. This work is progressing rapidly and should be completed by December 1914.

ELECTRIFICATION.

The work of electrifying the line between Bluefield, W. Va., and Vivian, W. Va., a distance of about 30 miles, described in the preceding annual report, has made satisfactory progress. It is expected that this work will be completed for operation in January 1915.

PHYSICAL VALUATION.

The Valuation Committee described in the preceding annual report has effectively performed its work of devising plans and gathering data for the physical valuation of your Company's properties. In co-operation with other companies, and with the Engineering Board of the Inter-State

Commerce Commission, uniform methods of procedure have been formulated and are now in use by this Company. The work has reached such a stage that the Valuation Committee has been dissolved, and the further work of valuation has been placed in charge of Charles S. Churchill, former Chief Engineer and now Assistant to the President.

In prosecuting this work much historical, financial, and engineering information has been collected, and should prove of permanent value. The Durham District has been re-surveyed and mapped. Similar work is now in progress on the Shenandoah Division and will be done elsewhere when necessary to complete the Company's records.

APPLICATION FOR RATE INCREASES.

Your Company and the other railroads in Official Classification Territory, consisting of the New England Freight Association Territory, the Trunk Line Association Territory, and the Central Freight Association Territory, joined

in an application to the Inter-State Commerce Commission for an average increase of 5 per cent. on freight tariffs. Your Company filed with the Inter-State Commerce Commission a complete set of its proposed tariffs at an expense for printing alone of \$30,000. The tariffs were filed October 15, 1913, and were to take effect 30 days thereafter. They were, however, suspended from time to time by the Commission, pending an investigation and hearings. The preparation of data and the presentation of the information to the Commission involved great labour and expense. The decision of the Commission was promulgated July 29, 1914. No rate increases were approved in New England and Trunk Line Association territories, but, subject to certain limitations, an increase in class rates and many commodity rates in Central Freight Association territory was approved. Only your Company's lines in Ohio, comprising about one-eighth of its total mileage, are included in that territory. The extent to which the Company can avail itself of the increases permitted is yet undetermined, but will be very small. Esti-

CONDENSED GENERAL BALANCE SHEET, JUNE 30, 1914.

		Comparison with June 30, 1913.	
ASSETS.			
PROPERTY INVESTMENT:—			
Road and Equipment:—			
Investment to June 30, 1907:			
Road	\$151,520,660 80	—	L. \$79,914 58
Equipment	24,383,021 25	\$175,903,682 05	
Investment since June 30, 1907:			
Road	\$41,526,935 07	—	L. 6,531,496 53
Equipment	31,880,492 92	—	L. 8,900,357 74
General Expenditures	25,370 55	—	L. 1,793 75
		73,432,798 54	
Deduct Credit Reserve for Accrued Depreciation (of Equipment)		\$249,336,400 59	
		9,144,770 51	\$240,191,710 03
Securities:—			
Securities of Proprietary, Affiliated and Controlled Companies—Pledged, Stocks ...		—	1,000 00
Unpledged, Stocks	\$56,853 33		D. 79,466 80
Funded Debt	9,600 00		L. 9,000 00
		65,853 33	
Other Investments:—			
Advances to Proprietary, Affiliated and Controlled Companies for Construction, Equipment and Betterments:			
Goyandot and Tog River Railroad Co.	—	231,931 62	L. 3,438 40
Miscellaneous Investments:—			
Physical Property	\$564,535 80	—	L. 9,958 38
Securities—Unpledged	1,401,616 27	—	D. 2,972 25
		1,966,152 07	
WORKING ASSETS:—			
Cash	\$8,009,653 60	—	D. 566,813 03
Securities Issued or assumed—Held in Treasury	1,781,900 00	—	L. 1,368,700 00
Marketable Securities, Stocks	4,008 00	—	
Bonds and Notes	121,825 63	—	D. 192,080 00
Short-Term Investments	12,352,771 67	—	L. 3,840,794 95
Loans and Bills Receivable	1,500 00	—	D. 498,500 00
Traffic and Car Service Balances due from other Companies	1,372,906 89	—	D. 371,584 66
Net Balance due from Agents and Conductors	1,066,707 06	—	D. 151,481 58
Miscellaneous Accounts Receivable	9,2882 71	—	D. 6,006 20
Material and Supplies	4,290,664 37	—	D. 1,728,975 43
Other Working Assets	561 87	—	L. 99 50
		29,915,310 80	
DEFERRED DEBIT ITEMS:—			
Temporary Advances to Proprietary, Affiliated and Controlled Companies		\$1,041,902 41	—
Advances for Working Funds	15,385 83	—	D. 799,004 33
Rents and Insurance paid in Advance	47,062 04	—	L. 258 90
Cash and Securities in Sinking and Redemption Funds	73,537 37	—	D. 2,120 86
Other Deferred Debit Items	309,726 13	—	D. 44,312 05
		4,487,613 78	D. 5,220,701 38
		\$276,859,644 68	L. \$9,333,323 85
LIABILITIES.			
STOCK:—			
Adjustment Preferred		\$23,000,000 00	—
Common	107,760,500 00	—	L. \$7,627,800 00
		\$130,760,500 00	
FUNDED DEBT:—			
Mortgage Bonds		\$83,283,500 00	—
Plain Bonds, Debentures and Notes	15,451,500 00	—	L. 10,725,800 00
Equipment Trust Obligations	12,900,000 00	—	L. 8,700,000 00
		111,645,000 00	
Subscriptions for Convertible 10-25-Year 4 1/2 % Gold Bonds		—	D. 17,139,300 00
Liability under pending Equipment Trust	—	—	D. 2,680,820 01
WORKING LIABILITIES:—			
Traffic and Car Service Balances due to Other Companies		\$113,291 01	—
Audited Vouchers Unpaid	1,363,489 47	—	L. 16,531 04
Audited Wages Unpaid	1,303,538 95	—	D. 825,550 74
		\$2,780,319 43	D. 294,758 57
Miscellaneous Accounts Payable	209,565 61	—	D. 44,141 83
Matured Interest, Dividends and Rents Unpaid	520,306 65	—	D. 11,545 85
Matured Mortgage, Bonded and Secured Debt Unpaid	6,000 00	—	
Other Working Liabilities	29,464 56	—	L. 8,923 29
		3,545,656 25	
ACCRUED LIABILITIES NOT DUE:—			
Unmatured Interest, Dividends and Rents Payable		\$1,273,147 15	—
Taxes	703,537 23	—	L. 180,295 15
		1,976,684 38	L. 24,016 46
DEFERRED CREDIT ITEMS:—			
Unextinguished Premiums on Outstanding Funded Debt		\$215,610 00	—
Operating Reserves	115,216 11	—	D. 182,872 50
Other Deferred Credit Items	523,880 00	—	D. 79,843 07
		884,706 11	L. 73,487 42
APPROPRIATED SURPLUS:—			
Additions to Property since June 30, 1907, through Income:			
Road	\$13,341,550 78	—	L. 2,093,918 00
Equipment	2,143,456 20	—	
		15,485,006 98	
PROFIT AND LOSS:—			
Credit Balance		—	L. 1,141,984 56
		12,555,030 91	L. 1,141,984 56
		\$276,859,644 68	L. \$9,333,323 85

mated upon the present total gross earnings, it will not exceed one-eighth of 1 per cent., or about \$55,000 per annum.

Believing that the Company's application for an increase was right and reasonable, the decision was a disappointment.

FINANCIAL.

The final instalment upon the subscriptions for \$17,138,500 Convertible 10-25-year $4\frac{1}{2}$ per cent. bonds described in the preceding annual report was due September 1, 1913, and has been paid.

The urgency of the requirements for additional facilities to be met by that issue of convertible bonds was set forth in the circular dated January 30, 1913, to the stockholders. Early in the year, however, the unfavourable outlook led to the curtailment of expenditures for additions and betterments by postponing the less urgent and reducing the rate of progress upon the more important. This left temporarily in the treasury a considerable balance of funds raised for such expenditures. In order to secure a greater revenue therefrom than was obtainable from ordinary deposits (suitable authority having been given by your Board), these funds have been utilised from time to time to purchase well-secured short-term obligations, maturing in conformity with the Company's cash requirements. A substantial addition to the Company's dividend and interest income has thus been made.

MEETINGS.

GELDENHUIS DEEP, LIMITED.

(Incorporated in the Transvaal.)

The nineteenth ordinary general meeting was held in the board room, The Corner House, Johannesburg, on June 5, 1914.

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—We have been through troublous times during the period now under review—the year ended December 31, 1913. The monthly profits earned during the first half of the year were so much in advance of the average monthly earnings of 1912 that we confidently anticipated a very marked improvement on the previous year's results. Just as we had attained the position of being able to feed the mills to their full capacity of 60,000 tons per month, with working costs more than 2s. per ton lower than the 1912 average of 25s. 10d., the majority of our men were prevailed upon to join in a strike. Although most of them were only absent for a few days, the happenings of July were responsible for a disorganisation of all work owing to an acute shrinkage in our labour force following on the strike. Bearing this in mind, we have not done so badly, as our actual net working profit of £147,618 exclusive of revenue from accumulated slimes was £19,400 greater than that for 1912.

We milled 623,300 tons, or 4,600 tons less than the year before, the yield of 29s. 1d. was lower by 1s. 1d. per ton, but working costs at 24s. 4d. show a reduction of 1s. 6d. per ton, which is a gratifying feature. The profit is 4s. 9d. per ton milled, as against 4s. 4d. in 1912.

Notwithstanding the violent fluctuations which occurred in the numbers of natives at our disposal—on January 31, 1913, the Company employed 5,998, and on December 31, 3,674 boys—the importance of pushing ahead with our development was never lost sight of, and considerations of profit have not been allowed to interfere with this part of our operations.

Development Work.

I must draw your attention to the small percentage of payable ore disclosed by development. Of the total ore developed last year, only 33.5 per cent. was payable. The large proportion of unpayable ore encountered, especially in the Western Section, is disappointing, but it should be remembered that we have three reefs to deal with in the mine, and even a 33 per cent. payability when applied to all the reefs, as in our case, represents a fair tonnage of pay ore per claim. The reduced development footage and the small percentage of payability are responsible for the decrease of 235,000 tons in our ore reserves. They now stand at 1,669,500 tons, value 6.4 dwt. If we deduct therefrom such ore as is contained in shaft and boundary pillars, there remain 1,351,200 tons, which on the basis of the tonnage mined from ore reserves last year is sufficient to supply the mills for a period of over 2½ years. Provided that we are able to sort not less than 15 per cent.—as against 10 per cent. at present—these reserves represent a value of 30s. 3d. per ton milled. During the months of February, March, and April 1914 the working revenue averaged 27s. 11d. per ton milled, which is in accordance with the capabilities of the mine under the present conditions of working. Increased mill tonnages and lower working costs will tend to reduce the yield, in that it will enable ore of grade lower than that of the present pay limit of the reserves to be worked profitably. The matter of closing down one or more of our shafts, in order to effect economies in working, is still under consideration.

The securities on hand June 30, 1914, are shown in supplementary statements.

CHANGES IN ORGANISATION.

I. W. Booth, Chief Clerk in the Secretary's office, was appointed Assistant Secretary to fill the vacancy created by the death of Mr. Griffith, effective February 1, 1914.

Effective March 1, 1914, the organisation of the Valuation Committee was dissolved for reasons already stated. Charles S. Churchill, Chairman of that committee, was appointed Assistant to the President with immediate charge of all physical valuation of the Company's properties under the Federal law; W. S. Battle, jun., resumed his duties as General Claim Agent, and J. M. Rodgers resumed his duties as Statistician. As of the same date, J. E. Crawford was appointed Chief Engineer, J. B. Baskerville was appointed Assistant General Claim Agent, and W. B. Moss was appointed Assistant Statistician.

The certificate of Price, Waterhouse & Co., the independent auditors elected by the stockholders to audit the books and accounts of the Company, is attached to the Balance Sheet.—In Pamphlet Report.

The Board expresses its acknowledgment to the officers and employees for the faithful discharge of their duties during the year.

By order of the Board of Directors,

L. E. JOHNSON, *President.*

The Future.

I should like to be able to give some indication as to the profits likely to be expected in the future, but I fear that the experience of the last few years teaches us that this is impossible. The actual average monthly working profit during the last two years has been £11,500. Circumstances beyond our control have prevented us—except during a few months in the year—from reaching the mill output of 60,000 tons per month, which we must approximate in order to obtain normal results. The mine is in a position to supply this tonnage provided it has its full complement of native labour, and is able to retain it for some time. Working costs should certainly come down below last year's figure of 24s. 4d., and I trust that more normal conditions will enable some reduction to be effected during the current year. The life of the mine is entirely dependent on the percentage of payability of the ore which remains to be developed, and the pay limit of such ore depends in turn on our working costs. This percentage of payability has varied very considerably during recent years. Working costs, too, have shown heavy fluctuations during the last three years—namely, from a minimum of 21s. in April 1911, to a maximum of 28s. 1d. in November 1912. In the circumstances it is obviously futile to attempt making any intelligent forecast as to the quantity of profitable ore which remains to be extracted.

The Accounts.

Turning to the accounts: Our revenue for 1913, after deducting working expenditure, amounts to £157,663. To this we add the sum of £37,786, being balance of £42,786, representing moneys accumulated on development suspense account during 1912 and 1913, and which can now be released, as explained in the directors' report, less £5,000 which we have transferred to the credit of renewals and replacements suspense account. On the other hand, we have to deduct a sum of £20,222, consisting mainly of the assessment levied under the Miners' Phthisis Act, 1912, and of expenses incurred during the strike. This leaves a balance of £175,227 carried to appropriation account. Adding thereto the credit of £72,195 on hand at the beginning of last year, we were able, after meeting sundry expenditure on capital account, profits tax, &c., to distribute £102,506, or 17½ per cent., in dividends. A sum of £127,422, which is represented by cash and cash assets, is being carried forward, which leaves us in a strong financial position. No capital expenditure of any importance is contemplated at present. If nothing unforeseen happens it is therefore reasonable to expect that the profits earned will, after allowing for taxation, &c., be available for distribution to shareholders. Our thanks are due to Mr. E. Pam, our manager, and to the mine staff and other employees, who supported him loyally during a trying time.

Mr. R. M. Connolly seconded the motion, which was put to the meeting and carried unanimously.

ROSE DEEP, LIMITED.

(Incorporated in the Transvaal.)

The eighteenth ordinary general meeting was held in the Board Room, The Corner House, Johannesburg, on June 5, 1914.

The Chairman, in moving the adoption of the report and accounts, said:—Gentlemen,—When I addressed you a year ago there was every reason to hope that 1913 would be a prosperous year for the Rose Deep—indeed, it was reasonable to expect that the splendid record of the preceding year would be equalled, if not surpassed, during

the period now under review. Circumstances beyond our control have upset our calculations; yet, having regard to the set-back following on the events of last July, with which you are familiar, the net result of the Company's operations during the twelve months ended December 31, 1913, must be considered satisfactory. You will agree that in view of the abnormal conditions obtaining last year no useful purpose can be served by quoting comparative figures relating to the years 1912 and 1913 respectively. Any information which you may desire in this connection is contained in the various reports which have been circulated.

The Accounts.

The working profit for 1913 has amounted to £369,664. From this figure has to be deducted the heavy assessment made under the Miners' Phthisis Act, 1912, this Company's share due in respect of the compensation fund amounting to £12,736. This is exclusive of the contributions payable under the insurance fund, which have been charged direct to working costs. Sundry revenue, totalling £3,592, is counterbalanced by expenditure occasioned by the strike equal to £3,571. On balance, the sum of £355,853 is carried to appropriation account. Adding thereto the balance unappropriated at the end of the previous financial year, viz., £55,133, and a sum of £34 in respect of forfeited dividends, and deducting on the other hand expenditure totalling £38,814 on capital account, profits tax and French fiscal taxes, the funds available for distribution amount to £372,206. This has enabled dividends amounting to 4½ per cent. to be paid, absorbing £297,500, and a credit balance of £74,706 to be carried forward. In addition thereto a sum of £2,218 has been accumulated on renewals and replacement account.

The Mining Operations.

I will now deal briefly with the main points of our mining operations. The maximum capacity of our reduction plant is a mill tonnage of 70,000 per month. Given sufficient labour, the mine is in a position to supply this tonnage, as we had at the end of the year 3,272,800 tons of payable ore fully available for stoping. In view of the disorganisation resulting from the July strike, and of the consequent loss of native labour, I think we may well regard the mill tonnage, averaging 64,000 tons per month, as satisfactory. The grade of the ore sent to the mill has shown heavy fluctuations. This is explained to some extent by the fact that in order to feed the mills during the time of labour shortage the percentage of ore broken by machines had to be increased very considerably—it was 81 per cent. in December 1913, as compared with an average of 66.2 per cent. during 1912. In this connection I would call your attention to a remark in the Consulting Engineer's report that last year's yield of 26s. 3d. is more representative of the capabilities of the mine than that of 28s. 2d. obtained in 1912. Our working costs, which were unduly high in the past, have been reduced from 17s. 11d. per ton milled in 1911 to 17s. 5d. in 1912, and to 16s. 7d. in 1913, and I believe that there is room for further economies in this direction. This reduction has had the result of bringing into profitable operation large quantities of low-grade ore, some of which is in old workings, and is in jeopardy of being lost through caving if its exploitation is delayed too long. While no radical change of policy is contemplated, we anticipate having to face from time to time the alternative of losing blocks of ore of this kind altogether or stoping them as rapidly as possible. In view of what I have just said, and taking into account the results of the last few months, it would appear advisable to be prepared for a further slight decline in the yield during the current year.

Ore Reserves.

At December 31, 1913, our payable ore reserves stood at 3,828,400 tons, value 5.8 dwt., as compared with 3,695,000 tons, value 6.1 dwt., at December 31, 1912. Such ore as is fully available for stoping is on the basis of the tonnage milled last year equivalent to an output of over four years. My attention has been drawn to a statement in the Rand Mines annual report to the effect that the Rose Deep is almost fully developed. As this remark may lead to misunderstanding, I take this opportunity of advising you that as far as we can see the tonnage of ore remaining to be developed will not be less than that of the present ore reserves. To sum up, we have passed through a trying period, not only last July, but again at the beginning of this year. It is a certain comfort to know that our men as a whole had little sympathy with the strike movement, in which, however, they were forced to join against their better judgment. The degree of success of our mining operations is governed almost exclusively by the number of natives at our disposal. We are in a sound position in so far as the productive capacity of the mine is concerned, as our ore reserves are years ahead of requirements based on the maximum capacity of our reduction plants. I have stated that we have recently experienced some disappointments in regard to the grade, but on the other hand the reduction in costs has enabled certain blocks of ore which have been classed as unpayable to be included in

and it is hoped that we have not reached bottom in the matter of working costs. Our cash position has been further strengthened, and is now exceedingly sound. No capital expenditure of any importance is anticipated so far as we can see to-day; the profits earned should, therefore, after allowing for taxes, &c., be available for distribution to shareholders.

Mr. A. P. Richter seconded the motion, which was carried unanimously.

RAND GOLD OUTPUT.

Aurora West United.—There are in issue 212,705 10s. shares, and a favourable opportunity will be taken for a further issue to deal with floating debt, the total authorised capital being £300,000, in 600,000 10s. shares. About £116,000 net floating indebtedness at December 31, 1913; now about £105,000. Plant—80 stamps; capacity increased to 15,000 tons per month.

Years ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton £	Price end of Period			
1913 ... 80		170,681	20½	227,352	28/8	168,564	19/9	58,788	6/11	7½
1914.										
Mar. qr. 80		79,941	21½	48,577	24/3	40,955	20/8	7,522	3/9	7½
June qr. 80		39,166	—	47,619	24/11	41,994	21/10	5,925	3/1	7½
July ... 80		14,822	—	18,493	25/11	13,978	18/11	4,518	8/0	7½

Bantjes Consolidated.—Capital issued £502,306, in £1 shares. Three tube mills. Capacity of plant increased to 30,000 tons per month.

Years ends Dec. 31	Tons Milled	Sort- ing	Revenue £ Amt. Per ton	Expenses £ Amt. Per ton	Profit £ Amt. Per ton	Price end of Period			
1912 — 80	286,453	12½	423,021	29/8	345,275	24/1	77,746	5/5	1
1913 ... 100	303,440	10½	399,274	25/11	340,886	22/8	48,288	3/3	3½
1914.									
Mar. q. 100	67,200	11	79,606	23/8	73,941	27/0	5,663	1/8	1½
June q. 100	66,800	—	82,290	24/8	69,225	20/9	13,065	3/11	1½
July ... 100	22,850	—	29,598	25/11	24,238	21/3	5,360	4/8	1½

Dividends—1913, June, 5; Dec., 2½ per cent.
1914, June, 2½ per cent.



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City and Suburban.—£1,360,000, in £4 shares. Two tube mills. Yearly profit is exclusive of accumulated slimes revenue.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 151av.	306,663	9½	583,141	38/0	335,622	21/10 247,519 16/2 2½
1914.						
Mar. qr. 150	77,217	7½	139,322	36/1	77,761	20/1 61,561 18/0 2½
June qr. 155	82,150	—	150,524	36/7	87,718	21/4 62,746 15/3 2½
July ... 155	28,550	—	50,325	35/3	29,857	20/11 20,528 14/4 2½xd

Dividends—1913, June, 7½; Dec., 7½ per cent.
1914, June, 7½ per cent.

City Deep.—Capital £1,250,000, in £1 shares. 200 stamps and tube-mill accessories, to have a capacity of about 800,000 tons when in full operation.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 150	468,400	11½	885,120	37/9	592,130	25/3 292,990 12/6 2½
1914.						
Mar. qr. 150	112,000	4½	213,273	38/0	136,654	24/3 77,219 17/9 3
June qr. 150	125,900	—	246,943	39/2	139,593	22/2 107,350 17/0 3½
July ... 150	43,300	—	79,919	35/11	45,252	21/4 33,697 15/7 2½

Monthly and quarterly profits include net yield from accumulated slimes

Dividends—1913, June, 10; Dec., 7½ per cent.
1914, June, 11½ per cent.

Consolidated Langlaagte.—£950,000, in £1 shares, £800,000 Five-and-a-Half per Cent. Debentures. 100 new stamps and 10 tubes. About £300 monthly sundry revenue included below.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912	—	295,072	—	412,481	27/11 230,993	19/9 123,919 8/5 1½
1913 ... 98½av.	523,100	5	710,311	27/2	462,237	17/6 232,332 9/8 1½
1914.						
Mar. qr. 73½	121,500	3½	158,294	26/0	94,855	15/7 63,409 10/5 1½
Apr. ... 90	47,100	3½	58,952	25/0	35,636	15/3 23,316 9/9 1½
May ... 100	51,800	—	65,478	25/4	39,399	15/5 26,079 9/11 1½
June ... 100	52,700	—	63,938	25/5	39,131	15/0 27,807 10/5 1½

* Includes slimes profit and sundry revenue.

Dividends—1913, Dec., 10 per cent. (first declaration).
1914, June, 10 per cent.

Consolidated Main Reef.—£924,364, in £1 shares. 120 stamps; three tube mills.

Year ends June 30	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912-13	104	266,055	13½	407,256	30/7	567,841 20/2 139,415 10/5 ½
1913-14.						
Sept. qr. 100	61,947	10½	97,063	31/4	69,208	22/4 27,857 9/0 ½
Dec. qr. 93½	57,790	7½	93,204	32/3	62,933	21/9 30,271 10/6 ½
Mar. qr. 90	54,889	12½	81,534	30/9	60,625	22/1 23,909 8/8 ½
Apr. ... 90	20,280	16	31,662	31/2	21,918	21/7 9,744 9/7 ½
May ... 100	22,000	—	34,710	31/6	23,824	21/8 10,886 9/10 ½
June ... 110	24,110	—	38,370	31/9	24,436	20/3 13,934 11/6 ½
12 mos. 96av.	241,016	—	379,543	31/6	262,942	21/10 116,601 9/8 ½

Dividends—1912, June, 5; Dec., 5 per cent.
1913, June, 5; Dec., 5 per cent.
1914, June, 5 per cent.

Glnsberg.—210,000 £1 shares issued. One tube mill.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 80	176,057	30	244,645	27/9	172,029	19/5 72,616 8/3 1½
1914.						
Mar. qr. 75	43,350	29½	53,362	24/7	40,184	18/7 13,178 6/0 ½
Apr. ... 75	14,513	0½	17,982	24/10	13,372	18/8 4,610 6/2 ½
May ... 75	15,016	—	16,983	22/8	13,765	18/7 3,218 4/1 ½
June ... 75	14,932	—	18,756	22/5	13,422	18/2 3,334 4/3 ½

Dividends—1913, June, 17½; Dec., 17½ per cent.
1914, June, 10 per cent.

Glencairn.—£550,000, in £1 shares. Sundry revenue, about £2,000 a year, included in profits; also accumulated slimes revenue.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 160	240,768	16½	189,716	15/9	160,381	13/4 29,335 2/5 2½
1914.						
Mar. qr. 156½av.	60,198	9	44,427	14/9	36,689	12/2 7,738 2/7 2½
Apr. ... 160	20,500	9	15,084	14/9	12,231	12/2 2,823 2/7 2½
May ... 160	21,846	—	15,691	14/5	12,850	12/0 2,831 2/5 2½
June ... 160	20,925	—	15,750	15/1	12,751	12/4 2,999 2/9 2½

Dividends—1912, June, nil; Dec., 5 per cent.
1913, June, nil; Dec., 5 per cent.
1914, June, nil.

Glynn's Lydenburg.—£170,000, in £1 shares. The Company has one tube mill, started May 1910.

Year to July 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912-13 ... 20	40,642	—	85,555	42/7	43,430	23/9 38,216 18/10 ½
1913-14.						
Oct. qr. ... 20	11,364	—	25,047	44/1	11,642	20/6 13,405 23/7 ½
Jan. qr. ... 20	11,294	—	25,154	44/6	11,010	19/6 14,144 25/0 ½
Apr. qr. ... 20	11,129	—	24,031	43/2	11,734	21/1 12,297 22/1 ½
May ... 20	3,998	—	8,789	43/11	4,323	21/7 4,461 22/4 ½
June ... 20	4,025	—	8,893	44/2	3,916	19/5 4,977 24/9 ½

Dividends—1913, Jan., 10; June, 10 per cent.
1914, Jan., 10; July, 10 per cent.

Goch.—£550,000 in £1 shares; £137,550 Five per Cent. Debentures, July 1, 1913 (£25,075 drawn since); 120 stamps; four tube mills. Sundry revenue, about £2,000 a year, included.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 327,600	15	—	330,420	20/2	265,931	16/3 64,489 3/11 ½
1914.						
Mar. qr. 85,000	11½	—	91,694	22/3	69,290	16/3 25,404 6/0 ½
June qr. 89,200	—	—	95,123	21/6	64,044	14/4 32,082 7/2 ½
July ... 30,700	—	—	32,869	21/5	21,751	14/2 11,138 7/3 ½
Aug. ...	—	—	—	—	—	11,776 — —

Dividends—1911, June, 7½; Dec., 5 per cent. Nil since.

Heriot.—Issued capital £115,000, in £1 shares. One tube mill.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1913 ... 70	133,123	19½	236,458	35/6	153,844	23/1 82,612 12/5 2½xd
1914.						
Mar. qr. 70	35,323	14	67,024	37/11	38,197	21/8 28,827 16/3 3
June qr. 70	39,200	—	72,012	36/9	41,074	21/0 30,338 15/9 2½
July ... 70	13,800	—	25,308	36/8	14,274	20/8 11,034 18/0 2½
Aug. ...	—	—	—	—	—	10,097 — —

Dividends—1913, May, 35; Nov., 35 per cent.
1914, May, 30 per cent.

Knights Deep.—Capital, 743,526 £1 shares issued. £70,600 Five-and-a-Half per Cent. Debentures at July 31, 1913. The Company has taken over the Simmer and Jack East mine. 400 stamps, 11 tubes, capacity 120,000 tons a month.

Year ends July 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1912-13	375	1,117,121	½	839,915	15/0	671,050 12/0 168,855 3/0 1½
1913-14.						
Oct. qr. 400	304,700	—	208,919	13/8	168,370	11/0 40,549 2/8 1½
Jan. qr. 400	246,600	—	194,723	15/8	149,787	12/1 44,936 3/7 1½
Apr. qr. 400	234,700	—	193,742	14/8	162,969	12/4 30,773 2/4 1½
May 400	106,200	—	77,423	14/7	62,355	11/9 15,068 2/10 1½
June 400	95,100	—	72,793	15/3	60,348	12/7 12,445 2/8 1½
July 400	101,600	—	68,108	13/4	55,174	10/10 12,934 2/6 1½
12 mos. 400	1,118,900	—	815,768	14/7	659,003	11/9 156,765 2/10 1½
1914-15.						
Aug. ...	—	—	—	—	—	9,433 — —

Dividends—1912, June, 12½; Dec., 10 per cent.
1913, June, 12½ per cent. on £643,526.
December, 5 per cent. on £743,526.
1914, June, 5 per cent.

"The Miner's Guide to the Law Relating to Coal Mines." By L. A. Atherley Jones, K.C., and Hugh H. L. Bellot, M.A., D.C.L. Price 3s. 6d. London: Methuen and Company. So many changes have taken place in the law relating to coal mines since the last edition of this work that the third edition, which is now published, has had to be entirely re-written. The digest of the Coal Mines Regulation Acts presented in the volume has been brought up to date.

BELL'S UNITED ASBESTOS COMPANY.—Interim dividend on Ordinary shares at rate of 10 per cent. per annum less tax.

COLTNESS IRON COMPANY.—Dividend on Ordinary shares of 8 per cent. per annum less interim dividend.

NEUCHÂTEL ASPHALTE COMPANY.—In consequence of the war the directors of this Company have decided not to declare an interim dividend on the Ordinary shares.

PEARSON AND KNOWLES COAL AND IRON COMPANY.—Dividend at the rate of 5 per cent. per annum on Ordinary shares.

SAPUMAEXPÈDE RUBBER COMPANY.—Interim dividend of 3 per cent. (would val) on paid-up capital.

SHEPHERD ESTATE.—Interim dividend of 4 per cent. ta



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Capital Authorised - \$25,000,000
Capital Paid up - \$11,560,000
Reserve Funds - \$13,570,000
Aggregate Assets - \$180,000,000

Head Office—MONTREAL.
H. S. HOLT, E. L. PEASE,
President, Vice-President and General Manager.
340 Branches in Canada and Newfoundland.
23 Branches in Cuba, Porto Rico and Dominican Republic.
BRANCHES IN BRITISH WEST INDIES,
BAHAMAS—Nassau; BARBADOS—Bridgetown;
GRENADA—St. George's; JAMAICA—Kingston;
TRINIDAD—Port of Spain; San Fernando.
Branch in British Honduras—BELIZE.
Branches in British Guiana—GEORGETOWN AND
NEW AMSTERDAM.

New York Agency: Corner William & Cedar Streets.
LONDON OFFICE:
2 Bank Buildings, Princes Street, E.C.
W. M. BOTSFORD, JAMES MACKIE,
Manager, Joint Manager.

The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356
Reserve Fund & Undivided Profits (\$7,248,134) £1,489,343

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, C.V.O.
VICE-PRESIDENT—K. W. BLACKWELL
GENERAL MANAGER—R. F. HEBDEN.

This institution has 218 Branches and Agencies extending from the Atlantic to the Pacific (100 being in the Western Provinces).

Every facility offered to the business of immigrants; Savings Department at all Branches, where interest is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.
The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable Transfers available at any banking point in Canada.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)
Authorised Capital, £1,000,000. Subscribed Capital, £625,000.

Paid-up Capital £500,000
Reserve Fund 510,000
£1,010,000
Uncalled Capital 125,000
Reserve Liability of Shareholders 625,000
£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Aust. Asia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

THE EASTERN BANK, LIMITED.

Head Office:
4 CROSBY SQUARE, LONDON, E.C.

Branches:
BOMBAY, CALCUTTA, and BAGDAD.

Subscribed Capital £1,500,000
Called up £800,000
Reserve Fund £55,000
Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).
Sir JACOB E. SASSOON, Bart. EMILE FRANCOU, Esq.
J. O. GEORGES BOUILLAT, Esq. J. S. HA-KELL, Esq.
G. BROOKLY-MARTIN, Esq. J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2 or 3 years at 4 per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Authorised Capital—
Subscribed £4,500,000
Unissued 500,000
£5,000,000

Capital Issued and Paid up £2,250,000
Reserve Fund 1,560,000
Uncalled Liability of Shareholders 2,250,000
Total responsibility for Creditors £6,060,000

Head Office: OLD BROAD STREET, LONDON, E.C.
Paris Branch: 19 Boulevard des Capucines and 23 Rue de la Paix.

Hamburg Branch: 3 Adolphsplatz.

New York Agency: 60 Wall Street.

Branches and Correspondents in all the principal places of South America.
Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Funds; the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bonds, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

LONDON BANK OF AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital £1,276,747 10 0
Paid-up Capital 663,722 10 0
Uncalled, including Reserve Liability 608,125 0 0
Reserve Fund and Undivided Profits 295,071 11 2

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

BANK OF NEW SOUTH WALES.

Established 1817.
LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital, £3,500,000
Reserve Fund, 2,450,000
Reserve Liability of Proprietors, 3,500,000
£9,450,000

The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager.

NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL £3,000,000
SUBSCRIBED CAPITAL 2,250,000
PAID-UP CAPITAL 750,000
RESERVE FUND 655,000
UNCALLED CAPITAL 1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. FRESHWATER, Secretary and London Manager.
17 Moorgate Street, London, E.C.

THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID \$3,000,000.
SHAREHOLDERS' LIABILITY \$3,000,000.
SURPLUS AND PROFITS \$6,880,000.

President—K. F. SHANBACKER.
Vice-President—JAMES HAY.
Vice-President—FRANK G. ROGERS.
Cashier—R. J. CLARK.
Assistant Cashier—W. A. BULKLEY.
Assistant Cashier—W. K. HARDY.
Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—
"FOURBANK." SAMUEL MONTAGU & CO.

NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and Uganda.

HEAD OFFICE:
25 BISHOPSGATE, LONDON, E.C.

BRANCHES:
Calcutta Cochin (S. India) Newera Eliya
Bombay Chittagong Zanzibar
Madras Bangalore Mombasa
Karachi Mandalay Nairobi
Cawnpore Aden and Sakara
Labore Aden Point Kisumu
Amritsar Colombo Entebbe
Delhi Kanjy Kampala
Tuticorin Jinja

SUBSCRIBED CAPITAL £2,000,000
PAID-UP CAPITAL £1,000,000
RESERVE FUND £1,100,000

LONDON BRANCH—Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which is incorporated the Bank of Africa, Ltd.)
Bankers to the Government of the Union of South Africa in the Transvaal and Orange Free State.
Bankers to the Imperial Government in South Africa.
London Offices—Circus Place, London Wall, E.C., and 17 Cannon Street, E.C.

Subscribed and Paid up Capital £2,350,000
With power to increase to 4,000,000
Reserve Fund 700,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York. Deposits received. Current Accounts opened, and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

BANK OF NEW ZEALAND

Incorporated by Act of General Assembly, July 29, 1861.

(Bankers to the New Zealand Government.)

LONDON OFFICE: 1 Queen Victoria St., London, E.C.

AUTHORISED CAPITAL £5,500,000.

SUBSCRIBED CAPITAL:
Four per Cent. Guaranteed Stock £1,000,000
75,000 "A" Preference Shares of £5 13s. 4d., issued to New Zealand Government 500,000
150,000 Ordinary Shares at £5 13s. 4d. 500,000
Paid up, £3 6s. 8d. per share 500,000
Uncalled, £3 6s. 8d. per share 500,000
Reserve Fund and Undivided Profits 1,671,523

Negotiates and collects Bills of Exchange. GRANTS DRAFTS on all its Offices in New Zealand, Australia and Fiji.

Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised £1,500,000
Capital Issued 1,125,000
Capital Paid Up 562,500
Reserve Fund 465,000

Branches:
INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Deposits received for one year at 4 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

